Gamma

FROM FOUNDATIONS TO FRONTIERS

INTEGRATED ANNUAL REPORT

2024

Dear Shareholder,

The Board of Directors of Gamma Civic Ltd is pleased to present the Integrated Annual Report for the year ended 31 December 2024. This report was approved by the Board of Directors on 14 May 2025.

Tommy Ah Teck
Executive Chairman

ABOUT THIS REPORT

The objective of this Integrated Annual Report is to outline how Gamma Civic Ltd ("Gamma" or "the Company") creates, preserves and delivers long-term value for our stakeholders.

To support this objective, the report:

- Introduces the Group - Who we are, where we operate, what we do;
- Provides a strategic and governance overview, including the Executive Chairman's statement and insights into our governance structure;
- Demonstrates how we create value for stakeholders through the six capitals;
- Reviews our financial and divisional performance.

REPORTING FRAMEWORKS

Our reporting approach is guided by the IFRS Foundation's Integrated Reporting Framework, which promotes transparent communication of financial and non-financial performance. The Corporate Governance report has been prepared in accordance with the National Code of Corporate Governance for Mauritius (2016) and the financial statements comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004 and are prepared in accordance with IFRS Accounting Standards.

SCOPE AND BOUNDARY

This report covers all operations of Gamma Civic Ltd, including its subsidiaries, associates, and joint ventures (collectively referred to as "Gamma Group" or "the Group"), for the period 1 January 2024 to 31 December 2024. The acquisition of Alpha Ciment SA has been consolidated as a joint venture from 12 February 2024. The integrated reporting boundary includes all local and foreign operations of the Group, ensuring comprehensive coverage of our activities.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements relating to the future performance, strategies, and projections of the Group. These statements are based on management's current expectations and involve risks and uncertainties, such as economic shifts, regulatory changes, market dynamics, and operational challenges that could cause actual outcomes to differ. Readers are cautioned not to place undue reliance on these statements, which the Group is under no obligation to update unless required by applicable laws in Mauritius.

NAVIGATING THIS REPORT

Read more in this report

Read more on our website

OUR THEME FOR 2024

Rooted in resilience and driven by purpose, Gamma Civic Ltd continues its journey from strong foundations toward new frontiers. Our story is one of transformation, where legacy meets innovation, and where every challenge is seen as a catalyst for progress.

Guided by a clear purpose and grounded in our core values, we Dare to Dream: building sustainable businesses, creating value for all stakeholders, and shaping new possibilities across sectors and geographies.

Together, we move forward: Honouring our legacy, thriving in the present, and pioneering the future.

FROM FOUNDATIONS TO FRONTIERS

01

Group Overview

OUR MISSION AND GUIDING PRINCIPLES

Our Mission and Guiding Principles are the compass that direct Gamma. They define who we are, how we lead, and how we deliver sustainable value.

OUR MISSION

Together, we will improve the quality of life through innovative leadership.

OUR GUIDING PRINCIPLES

Loyalty and Sincerity

- We are always true to our own principles and in what we believe in.
- We do not cheat our partners and we are always truthful in dealing with them.
- We believe in strong enduring relationships.
- We have heart and are guided by moral values.

Trust and Respect

- We earn the trust of our partners by maintaining a climate of truth and the respect of our partners through open communication and collaboration.

Discipline and Hard Work

- We lead by example and endeavour to maintain a high level of consistency, accountability, and effectiveness at everything we do.

Courage

- We have the courage to take risks in our quest to drive sustainable growth.
- We challenge ourselves by never being satisfied with the mediocre.
- We are performance driven.

Fairness

- We believe in fair process and meritocracy.
- We aim to embody Impartiality and fairness in all our decision making.

Reputation and Dependability

- We honour our word and we take responsibility for our decisions and actions.

Strong Value Creation

- We believe in value creation through innovation, talent and technology.
- We continuously look at new ways of doing things, smarter ways.
- We think out of the box.

GAMMA AT A GLANCE

The Group continues to deliver resilient performance, demonstrating strong revenue growth, consistent value creation, and disciplined capital management across Gamma's diversified operations.

KEY FINANCIALS

REVENUE

2024
MUR **8,576 M**

2023
MUR 6,697 M

PROFIT AFTER TAX

2024
MUR **549 M**

2023
MUR 443 M

TOTAL EQUITY

2024
MUR **4,180 M**

2023
MUR 3,996 M

EARNINGS PER SHARE

2024
MUR **3.17**

2023
MUR 2.84

MARKET CAPITALISATION

2024
MUR **4,397 M**

2023
MUR 4,597 M

A DIVERSIFIED GROUP

With operations rooted in Mauritius and extending across Africa, the Group leverages sectoral expertise and operational autonomy to generate sustainable value for all stakeholders.

Number of **shareholders** **1,568**

Number of companies listed on the Stock Exchange of Mauritius

2 **Official Market**

2 **Development & Enterprise Market**

Gamma's diversified operating structure is built around strategic entities and business clusters across Mauritius and key African markets.

Our core revenue is generated through:

5 **Major Subsidiaries**

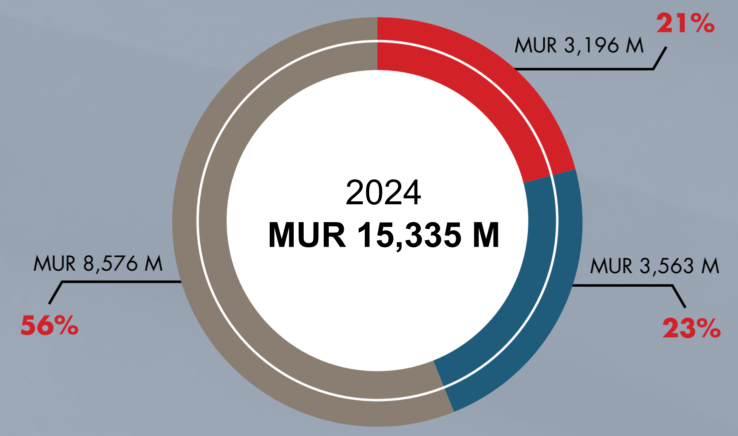
3 **Joint Ventures**

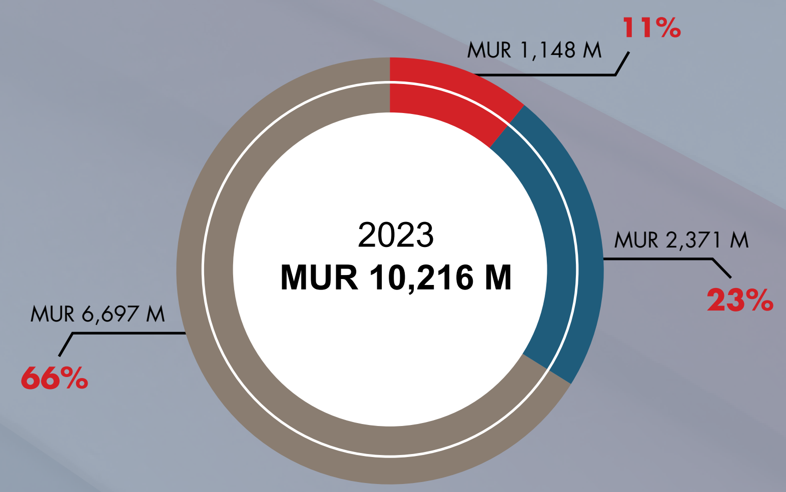
2 **Associates**

We are active across six distinct business clusters:

1. Building Materials
2. Contracting
3. Real Estate
4. Lottery & Gaming Technology
5. Hospitality
6. Financial Services

Total revenue generated across our Subsidiaries, Associates and Joint Ventures





- Revenue generated by Associates and JVs in Africa
- Revenue generated by Subsidiaries
- Revenue generated by Associates and JVs in in Mauritius

Note: *Revenue from Associates and JVs reflects their full revenue generated during 2023 and 2024 and is presented for illustrative purposes only. For consolidated figures prepared in accordance with IFRS, please refer to the Group's audited financial statements in this Report.*

Read more about the performance of our business clusters in the "Group & Divisional Review" chapter

GAMMA THROUGH THE YEARS

Anchored in its Guiding Principles and built on a solid foundation of expertise and innovation, Gamma's story is one of bold ambition and purpose-driven growth. The timeline below highlights key milestones that have defined Gamma's evolution

From Foundations to Frontiers.

01

1961

- Incorporated under the name of Randabel & Sons Ltd, with a focus on building materials production and importation – including readymix concrete, cement blocks, aggregates, and asphalt – and civil and building engineering contracting

1980

- The company was renamed Civic Ltd, reflecting its evolution and broader role in the construction sector

1988

- Strategic transformation initiated by a new group of Mauritian entrepreneurs, marking the beginning of major organisational restructuring to enhance efficiency, productivity, and long-term growth

02

1994

- On 28 March 1994, the company changed its name to Gamma Civic Ltd, reinforcing its identity as a leading and diversified group in the Mauritian industrial landscape
- Gamma Civic Ltd was listed on the Official List of the Stock Exchange of Mauritius on 30 November 1994

2000

- Completion of the construction of a cement terminal through our subsidiary, Ciments de L'Océan Indien Limitée (now known as Kolos Cement Ltd)
- Opening of Hilton Mauritius Resort & Spa through our associate Morning Light Co. Ltd

2005

- Launch of Gamma's corporate identity, reinforcing its brand positioning

2006

- Listing of Morning Light Co. Ltd on the Development & Enterprise Market of the Stock Exchange of Mauritius

03

2008

- Addition of ex-HSBC centre in Ebène to the Group's Real Estate portfolio

2009

- Launch of the Mauritius National Lottery by Lottotech Ltd
- Construction of Barclays House in Ebène
- Upgrading of Quartier Militaire Road (B6) from Wooton to Belle Rive

2010

- Establishment of Gamma Foundation as the Corporate Social Responsibility arm of the Group

04

2011

- Strategic alliance with Participations Financières (IPF), member of Colas S.A., through Gamma Materials Ltd, further strengthening the building materials cluster
- Construction of Raffles Tower in Ebène
- Upgrading of Dr AG Jeetoo Hospital in Port Louis into a state-of-the-art hospital
- Construction of 33 luxury IRS villas including infrastructure works

2013

- Reorganised into an investment holding company with a private equity mindset

2014

- Publication of the Gamma Charter, defining roles, responsibilities, and governance practices across the Group
- Successful listing of Lottotech Ltd on the Official List of the Stock Exchange of Mauritius

2015

- Acquisition of remaining equity stake in Holcim (Mauritius) Ltd, renamed Kolos Cement Ltd, cementing its market leadership
- Transition from a family managed company to an organisation managed by professionals
- Infrastructural works for Côte d'Or Integrated Mixed Development Project

2017

- Sale of ex-HSBC Centre

05

2018

- Successful listing of Kolos Cement Ltd on the Development & Enterprise Market of the Stock Exchange of Mauritius
- Strategic alliance with WH Investments Pte. Ltd, a company registered in Singapore with substantial businesses and industrial assets in Indonesia and Vietnam

2019

- Completion of another flagship office development, Burford House, in Ebène, reinforcing Gamma's property development footprint

2021

- Launch of Mafonja cement in Madagascar, through Kolos Madagascar SA

2022

- Strategic partnership with LudWin Group SAS, a French-based gaming technology provider with presence across Africa

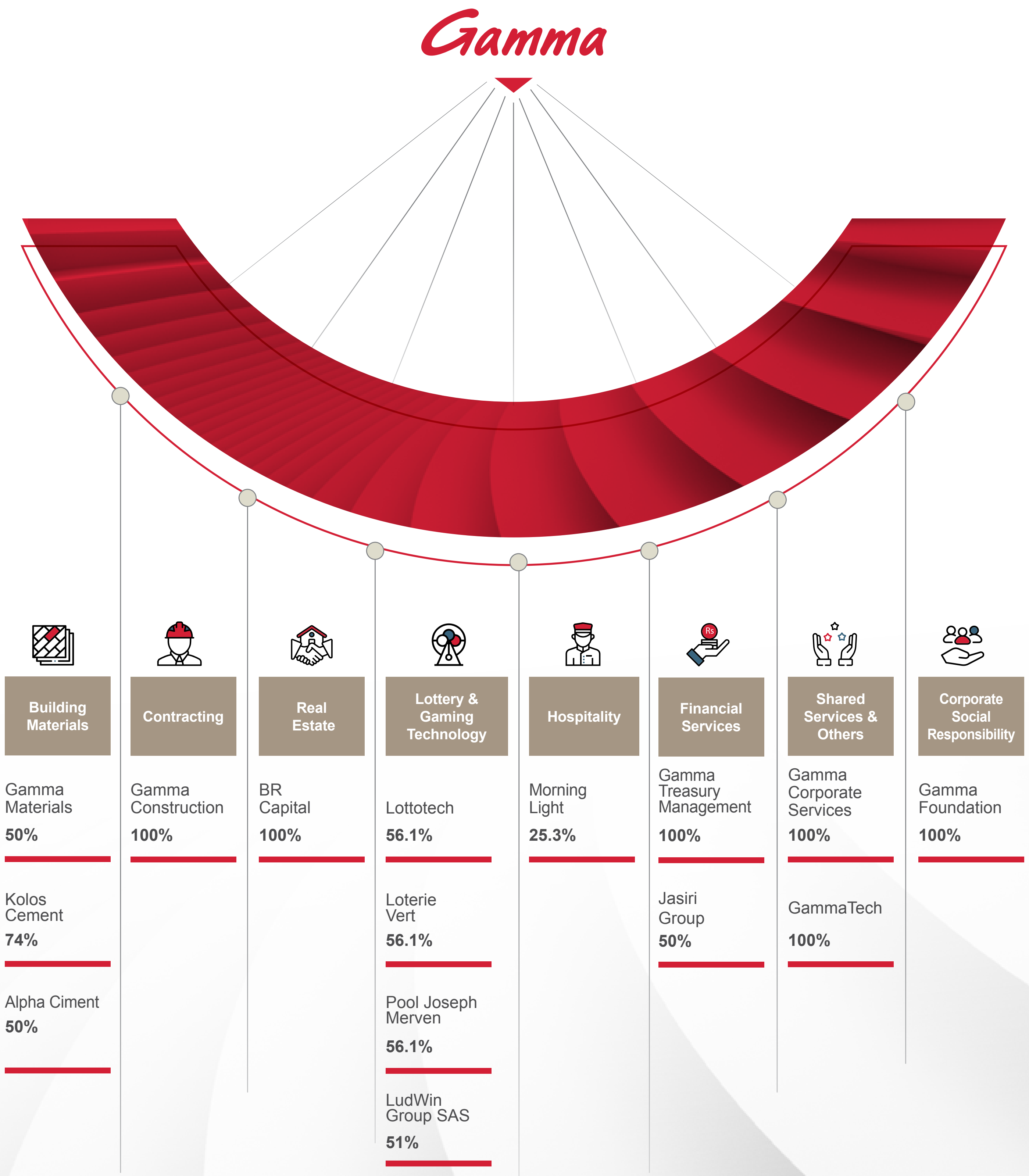
2023

- Increased our shareholding in LudWin Group SAS to 51%

2024

- Gamma, in partnership with Cemindo Gemilang, completed the acquisition of Cementis Madagascar, subsequently renamed Alpha Ciment SA. This marked Gamma's official entry into cement manufacturing in Madagascar. As of date, Alpha Ciment SA stands as the only operational local industrial cement producer in the country

GROUP STRUCTURE



***Note:** This simplified structure reflects the main operating entities within the Gamma Group, spanning its six business clusters, shared services, and its Corporate Social Responsibility arm.*

BOARD OF DIRECTORS

TOMMY AH TECK

Executive Chairman

Appointed: 28 Oct 1988
Executive Chairman: Apr 2020

Skills and expertise:

- Managing Director of Gamma from 1987, until his appointment as Group CEO in 2011.
- In 2015, he became a non-executive director of the Board, and Vice Chairman of the Company.
- In April 2020, he was appointed the Executive Chairman.

Qualifications:

- BSC (Hons) Engineering
- MPhil Mechanical Engineering

Committees:

- Corporate Governance Committee

Other listed directorship:

- Lottotech Ltd
- Kolos Cement Ltd
- Morning Light Co. Ltd

Citizen and Resident of Mauritius

PATRICE AH TECK

Vice-Chairman & Non-Executive Director

Appointed: 29 Dec 2000
Vice-Chairman: Aug 2020

Skills and expertise:

- Joined Gamma Group in 1993 and was appointed Sales and Marketing Director in 2000.
- In February 2011, he was appointed Deputy Managing Director.
- In July 2015, he became a non-executive director of the Board.
- In August 2020, he was appointed Vice Chairman.

Qualifications:

- BA (Hons) Accounting & Finance

Committees:

- Corporate Governance Committee

Other listed directorship:

- Lottotech Ltd
- Kolos Cement Ltd
- Morning Light Co. Ltd

Citizen and Resident of Mauritius

MARIE CLAIRE CHONG AH-YAN

Non-Executive Director

Appointed: 27 Sep 2012

Skills and expertise:

- Head of HR at Gamma Group since 2000, and appointed as HR Director of Gamma Civic Ltd in 2012.
- In 2015, she became a non-executive director of the Board.
- Since 2017, she has been appointed as advisor to the Executive Chairman on HR matters at Gamma Group.
- Co-Trustee of Gamma Foundation, which coordinates all CSR projects for the Group.
- With the FT NED Diploma, she has an in-depth understanding of board's effectiveness and acquired the required soft skills and boardroom behaviour.

Qualifications:

- Bachelor degree in Arts
- Bachelor degree in Human Resources Management
- FT Non-Executive Director Diploma

Committees:

- Corporate Governance Committee

Other listed directorship:

- Lottotech Ltd
- Kolos Cement Ltd
- Morning Light Co. Ltd

Citizen and Resident of Mauritius

● Age

BOARD OF DIRECTORS CONTINUED

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BOON HUI CHAN

Independent Non-Executive Director

Appointed: 17 Jun 2014

Skills and expertise:

- Founder and managing director of Chancery Capital, a boutique private equity & corporate advisory practice.
- Over 18 years of investment banking experience with OCBC, BNP Paribas, and Rothschild Group in Singapore and New York.

Qualifications:

- MA (Hons) Law
- Chartered Financial Analyst

Committees:

- Audit & Risk Committee
- Corporate Governance Committee

Other listed directorship:

- JCY International Berhad (Malaysia)
- Hiap Hoe Ltd (Singapore)

Citizen and Resident of Singapore

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MAURICE LAM PAK NG

Independent Non-Executive Director

Appointed: 17 Jun 2014

Skills and expertise:

- Founding partner of Stewardship Consulting Pte. Ltd., Singapore, boutique consulting firm advising Enterprising Families in Family Governance and Strategy.
- Mentor/ advisor to entrepreneurs in technology start-ups.
- Extensive prior work experience in investment banking advising clients in financial strategy, investment management, treasury and risk management.

Qualifications:

- MBA

Committees:

- Audit & Risk Committee
- Corporate Governance Committee (Chairman)

Other listed directorship:

- None

Citizen of Mauritius and Resident of Singapore

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CHRISTIAN WIKLUND

Independent Non-Executive Director

Appointed: 3 Jan 2024

Skills and expertise:

- Currently Managing Director and Founding Partner of Flamingo Capital Partners, an Africa-focused investment banking advisory firm.
- Investment banker with more than 20 years of experience.
- Worked in markets across Africa, Europe and Middle East at Morgan Stanley, Goldman Sachs and Standard Chartered Bank where he was Managing Director and Regional Head of M&A for Africa & Middle East.

Qualifications:

- MSc Business and Economics from Stockholm School of Economics

Committees:

- Audit & Risk Committee (Chairman)

Other listed directorship:

- None

Citizen and Resident of Sweden

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JEAN-CLAUDE LAM HUNG

Non-Executive Director

Appointed: 1 Jan 2017

Skills and expertise:

- Currently Chief Executive Officer of CG Re (Africa) Ltd, a reinsurance broker.
- Held the position of Group CFO of Gamma Civic Ltd between 2012-2015.
- Prior to Gamma, he worked in London, qualifying as a Chartered Accountant with EY, and assumed senior manager and director roles at Deloitte and BDO respectively. In 2009, appointed as partner at Mazars LLP.

Qualifications:

- BA (Hons) Business Studies
- Fellow of the Institute of Chartered Accountants in England and Wales

Committees:

- Audit & Risk Committee

Other listed directorship:

- None

Citizen and Resident of Mauritius

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TWALHA DHUNNOO

Executive Director & Deputy CEO/CIO

Appointed: 26 May 2017

Skills and expertise:

- Promoted to Deputy CEO in September 2023, and took up a new strategic role as Chief Investment Officer of Gamma Civic Ltd.
- Appointed as Group CFO and Executive Director of Gamma Civic Ltd in 2017.
- Prior to Gamma, he worked in London with Ernst & Young, Mellon Bank and Deutsche Bank between 1998 and 2007.
- Between 2007 and 2017, he was with Gatehouse Bank Plc, an authorised and regulated UK bank; initially as Head of Finance, Operations & IT and in 2011, promoted to CFO and Executive Director.

Qualifications:

- MEng Electrical and Information Sciences
- Fellow of the Institute of Chartered Accountants in England and Wales

Committees:

- None

Other listed directorship:

- Kolos Cement Ltd
- Morning Light Co. Ltd

Citizen and Resident of Mauritius

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JASON AH TECK

Executive Director

Appointed: 20 Apr 2020

Skills and expertise:

- Joined Gamma as Corporate Affairs Executive, in 2019.
- Prior to Gamma, he was a strategy consultant at KPMG's Global Strategy in London, where he focussed on growth strategy and data analytics for multinational corporations.

Qualifications:

- BEng Materials Engineering with Management
- Masters in Management

Committees:

- None

Other listed directorship:

- Lottotech Ltd
- Kolos Cement Ltd
- Morning Light Co. Ltd

Citizen and Resident of Mauritius

Age

02

Executive Chairman's Statement

EXECUTIVE CHAIRMAN'S STATEMENT

DEAR SHAREHOLDER,

It is with pride that I present the Integrated Annual Report of Gamma Civic Ltd for the financial year ended 31 December 2024. This year marked a pivotal chapter in the journey of the Group. Built on enduring foundations and powered by bold ambitions, Gamma is positioning itself as a purposeful and performance-driven investment Group - moving beyond a traditional holding structure to create long-term value across sectors and geographies.

FINANCIAL PERFORMANCE

Gamma delivered a solid performance in 2024, despite a challenging macroeconomic and regulatory environment. The Group navigated a complex operating landscape marked by inflationary pressures, tighter monetary policy, and rising construction costs. In addition, cement price controls in Mauritius and foreign exchange volatility in regional markets created operational and financial headwinds.

Building on this resilience, Group revenue rose to MUR 8.6 billion compared to MUR 6.7 billion in 2023, representing a 28% year-on-year increase. This growth was primarily driven by the Contracting segment, which achieved a record revenue of MUR 4.5 billion, supported by the successful execution of large-scale infrastructure projects across Mauritius. Within the Building Materials cluster, our local operations recorded an 11% revenue growth to reach MUR 2.5 billion, underpinned by favourable market conditions and strong operational execution.

> "As we transition towards our Vision 2030, we continue to invest in leadership, employee wellbeing, and organisational culture to foster innovation, resilience, and long-term performance.

Operating profit rose to MUR 381 million, up from MUR 323 million in 2023, reflecting our ability to deliver strong topline growth despite rising cost pressures. The Group posted a profit after tax of MUR 549 million, which includes a one-off gain from the deconsolidation of a subsidiary.

Although our venture in Madagascar recorded a loss in the first year, early signs of operational improvement are encouraging, and we are confident in its long-term contribution to the Group's bottom line.

Net debt increased to MUR 1.1 billion as a result of ongoing diversification initiatives, resulting in a gearing ratio of 27%, which remains within prudent limits.

STRATEGIC PROGRESS AND OPERATIONAL MOMENTUM

2024 was a year of acceleration. We solidified our presence across our six core business clusters - Contracting, Building Materials, Real Estate, Lottery & Gaming Technology, Hospitality and Financial Services - through both local and cross-border investments.

In February 2024, Gamma, with its cement strategic partner, Cemindo Gemilang, completed the acquisition of Cementis Madagascar, subsequently renamed Alpha Ciment SA. As the only industrial cement producer in Madagascar, Alpha Ciment SA strengthens our regional leadership in the Building Materials cluster and represents a landmark step in our long-term strategy to expand manufacturing capabilities and deepen our presence across the region.

We remained focused on driving performance and innovation across all areas of the Group. Kolos Cement Ltd delivered record volumes, reflecting both operational strength and robust market demand. Gamma Construction Ltd introduced a new monolithic formwork system that improved site efficiency and reduced material waste. Gamma Materials Ltd launched the 'Gamma R' recycled block line, repurposing construction waste into sustainable building materials. In real estate, we unveiled Civic Central in Ebène - our flagship office development - which has achieved LEED Platinum pre-certification, underscoring our ongoing commitment to high sustainability and ESG standards. Our hotel property, Hilton Mauritius Resort & Spa, which reopened in the last quarter of 2023 following an extensive renovation, experienced a gradual recovery in occupancy during the year. As awareness of the upgraded facilities increased, we saw encouraging trends in visibility and bookings. While we remain confident in the hotel's long-term potential, we acknowledge that external conditions may influence short-term performance.

In response to subdued performance in the Lottery and Gaming Technology cluster, we acted decisively, streamlining LudWin Group's operations by exiting underperforming markets and reallocating resources to high-potential geographies. At the same time, Lottotech Ltd focused on product innovation, launching new games to drive player engagement and sustain market relevance.

Our momentum in 2024 reflects the disciplined execution of our 'Protect, Harvest, and Grow' strategic mindset - a framework that continues to shape our decisions and actions. It anchors our focus on safeguarding core strengths, unlocking value from established platforms, and pursuing new avenues for sustainable longer-term growth. This approach ensures that we remain agile, resilient, and aligned with our guiding principle of strong value creation.

GUIDING PRINCIPLES AND PEOPLE

Our progress is made possible by the dedication of our people and the values that bind us. The Gamma Guiding Principles remain the foundation upon which we scale new frontiers. As we transition towards our Vision 2030, we continue to invest in leadership, employee wellbeing, and organisational culture to foster innovation, resilience, and long-term performance.

Anticipating what lies ahead, leadership continuity is a key focus. A new generation of future-ready leaders has begun contributing meaningfully to the Group's strategic journey, bringing fresh perspectives, a deep sense of purpose, and a shared commitment to our Guiding Principles. Their growing involvement will ensure that Gamma remains agile, innovative, and equipped to seize the opportunities that lie ahead, while preserving the values and entrepreneurial spirit that define us.

TECHNOLOGY AND INNOVATION

In 2024, we accelerated our digital transformation agenda through a series of targeted initiatives designed to strengthen efficiency, resilience, and governance across the Group. Cybersecurity frameworks were strengthened, supported by awareness training and infrastructure upgrades. Key IT governance policies were reviewed and aligned with best practices. We also expanded digital tools for collaboration, improved system reliability and disaster recovery capabilities, and began embedding data privacy controls across platforms. These efforts are essential enablers of our long-term value creation agenda.

GOVERNANCE AND ESG

This report reflects Gamma's continued evolution in integrated thinking. Building on the momentum of our first hybrid report in 2023, 2024 marked a step forward as we set the anchor for internal work on the Gamma Sustainability Agenda, demonstrating our commitment to ESG integration. While formalisation is in progress, meaningful strides have been made in aligning our approach with global standards. These efforts underscore our intent to create long-term value across financial, social, and environmental dimensions.

OUTLOOK

Looking ahead, both global and local environments are expected to remain marked by volatility, geopolitical tensions, and economic uncertainty. In Mauritius, we anticipate moderate economic growth, supported by rising private investments, although a slowdown in public infrastructure spending may temper momentum in the construction sector.

Regionally, opportunities in Sub-Saharan Africa remain robust, especially in infrastructure, financial services, and sustainable development. We will continue to execute our strategy with discipline, identifying opportunities that align with our risk appetite, sustainability goals, and long-term value ambitions.

With our foundations firmly in place and our sights set on new frontiers, Gamma is well-positioned to deliver on its promise of responsible and sustainable growth. During the year, we reinforced the groundwork for our Vision 2030 - refining our strategic direction, strengthening leadership, and evolving our core functions 'in the centre' to drive value creation. These initiatives reflect a clear direction: to build a future-ready organisation that grows with intent, extends its reach, and upholds the legacy entrusted to us.

ACKNOWLEDGEMENTS

I extend my sincere gratitude to the Board for their unwavering support, insight, and stewardship throughout the year. I also thank the leadership teams and employees across all our operating entities for their commitment to excellence.

Finally, I wish to express my appreciation to our shareholders, partners, suppliers, customers, and communities. Your trust continues to inspire our journey.

FROM FOUNDATIONS TO FRONTIERS
- the journey continues.

Tommy Ah Teck
Executive Chairman

03

Delivering the Gamma Vision

OUR VALUE CREATION BUSINESS MODEL

At Gamma, our business model reflects the cohesive relationship between our purpose, strategy, governance, and operations, enabling us to generate sustainable value for all stakeholders while strengthening the company's position as a leading diversified investment holding company.

We operate with a decentralised management philosophy, empowering each of our investee companies with autonomous boards of directors and independent management structures. This allows each entity to act with agility and entrepreneurial spirit while benefiting from strategic support and oversight provided at Group level.

Our Business Model in Action

Gamma exerts its influence through representation on the boards of its investee companies, focusing on strategic direction, capital support, managerial development, and the creation of an environment conducive for corporate transactions. Our role is to enable rather than manage day-to-day operations, ensuring that our entities retain operational independence, while aligning with Gamma's purpose, Guiding Principles, and long-term value creation objectives.

Strategic Support

Gamma Civic Ltd adds value to its investee companies through:

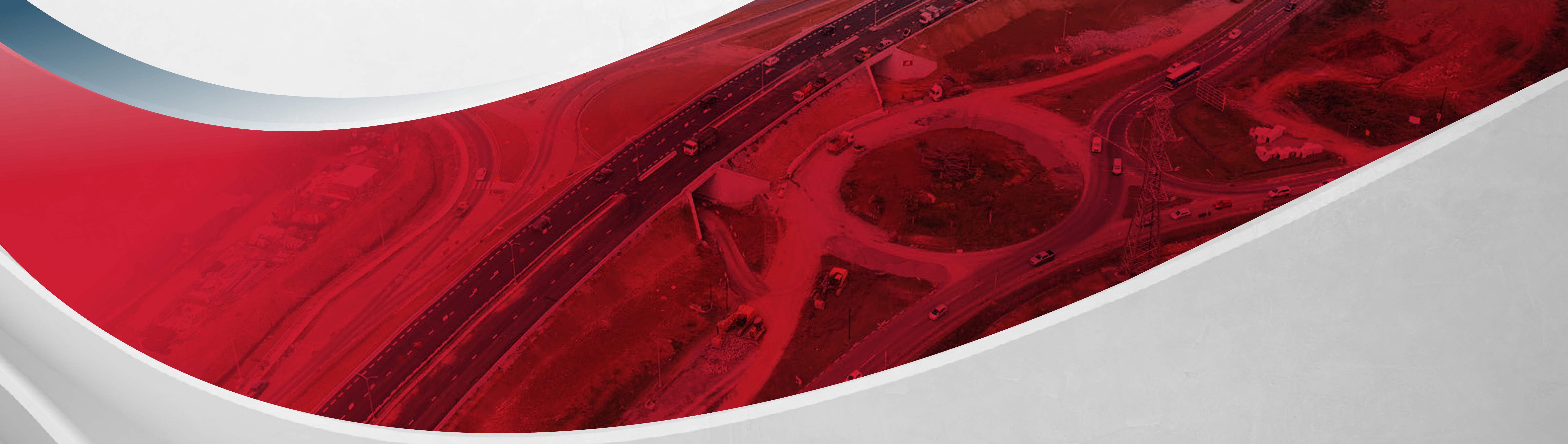
Strategic alignment: Setting strategic direction and ensuring alignment with the Group's overarching vision.

Capital access: Providing access to financial capital and ensuring responsible and efficient capital allocation.

Managerial support: Leveraging the Group's broad network of talent, sectoral expertise, and partnerships to enhance management capabilities.

Corporate transactions: Creating an enabling environment for mergers, acquisitions, and joint ventures that align with strategic growth ambitions.

Collaboration and knowledge sharing: Facilitating regular engagement between Group leadership and operating entities to promote cross-sector knowledge exchange and foster innovation.



OUR VALUE CREATION BUSINESS MODEL CONTINUED

Our Capital Inputs

Gamma's value creation is driven by six capitals, managed to deliver long-term value and support sustainable growth.

Financial Capital

We rely on funds from shareholders, retained earnings, and diverse sources of financing to support growth and strategic investments.

Manufactured Capital

Our physical assets, including plants, specialised construction equipment, and gaming infrastructure, form the backbone of our operations across all sectors.

Human Capital

Our people, reflecting our culture and values, drive performance, innovation, and long-term success.

Intellectual Capital

We leverage deep sector knowledge, research capabilities, and technological innovation to create value and maintain a competitive edge.

Social & Relationship Capital

We nurture strong relationships with customers, partners, suppliers, regulators, and communities.

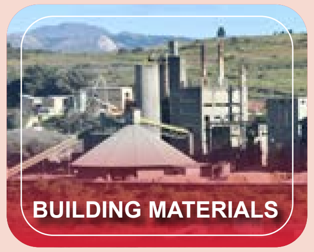
Natural Capital

We manage our use of natural resources such as energy, water, raw materials, and our land bank to ensure responsible and sustainable development.

Our Activities

These capitals are deployed through six key activities that span our diversified portfolio.

OUR BUSINESS ACTIVITIES



Capital Allocation and Strategic Investment

Strategic investment in operating entities, expansion into new markets, and responsible capital deployment.

Operational Excellence

Capacity upgrades, infrastructure development, and continuous improvement of operational processes.

Talent Development and Well-Being

Employee development, leadership programmes, strong safety culture, and talent retention initiatives.

Innovation and Digital Transformation

Process innovation, technology adoption, digitalisation, and internal knowledge sharing.

Stakeholder Engagement and Partnerships

Community investment, supplier and partner collaboration, ethical practices, and meaningful engagement with stakeholders.

Environmental Stewardship

Resource efficiency, waste reduction, and responsible management of natural resources.

Our Outcomes and Impact

Our activities lead to tangible outcomes that reflect the strength of our business model, with each entity contributing to the Group's sustainable growth.

Strategic Growth

Invest in businesses that align with our value creation criteria.

Market Leadership

Develop and implement strategies to establish, grow, and protect leadership positions across sectors.

Strong Management

Appoint skilled and purpose-driven leadership teams that translate strategy into results.

Strategic Support

Provide ongoing strategic and corporate support to help operating entities seize opportunities and overcome challenges.

Capital Efficiency

Allocate and reallocate capital to maximise returns, drive earnings growth, and maintain balance sheet strength.

Active Portfolio Review

Continuously assess the portfolio to identify divestment, expansion, or repositioning opportunities in line with market dynamics.

Value delivered to Stakeholders

Gamma's value creation process ensures each stakeholder benefits from our success.

Stakeholder	Value delivered
Shareholders and Investor Community	Sustainable financial returns, transparent reporting, and responsible growth underpinned by effective governance.
Customers	Reliable delivery of high-quality products and services, continuous innovation, and strong customer relationships built on trust.
Employees	A safe, healthy, and inclusive work environment, opportunities for career development, and fair rewards.
Strategic Partners	Long-term collaboration, mutual value creation, and alignment on innovation.
Suppliers	Fair and ethical business engagement built on shared commitment to quality and compliance.
Financial Institutions	Trusted financial relationships, responsible capital management, and a clear focus on risk management.
Government and Regulators	Proactive regulatory compliance, consistent tax contributions, and alignment with national development priorities.
Societies and Communities	Contribution to job creation, meaningful community investments, and responsible environmental stewardship.

STAKEHOLDER ENGAGEMENT

As a diversified Group operating across multiple sectors, we engage regularly with a broad spectrum of stakeholders, each with distinct expectations, perspectives, and contributions to our long-term success. The table below outlines how we engage with key stakeholder groups, the topics that matter most to them, and how we respond to create mutual value.

SHAREHOLDERS & INVESTOR COMMUNITY

They Matter to Us

- Provide capital essential for growth and strategic ambitions
- Align interests on value creation, performance, and governance
- Foster transparency and accountability through dialogue

Engagement Channels

- Annual Meeting of Shareholders
- Financial Statements
- Annual Reports
- Announcements on SEM and website

Key Topics of Interest

- Financial performance and strategic direction
- Sustainable returns on investment
- Clarity on governance and decision making processes

Our Response and Value Creation Actions

- Transparent reporting and strategy updates
- Regular dividend payments
- Robust governance and performance disclosures

CUSTOMERS

They Matter to Us

- Represent the heart of our operations
- Their trust underpins market leadership
- Drive demand, innovation, and continuous improvement

Engagement Channels

- Customer surveys and direct interactions
- Dedicated customer service teams
- Media channels and social media

Key Topics of Interest

- Product quality and innovation
- Pricing and responsiveness
- Customer service and ethics
- Sustainability

Our Response and Value Creation Actions

- High-quality products and services that meet their requirements
- Transparent and fair pricing policies
- Responsive customer support and assistance
- Accessible and user-friendly platforms
- Personalised experiences and value-added services

EMPLOYEES

They Matter to Us

- Drive business success and operational excellence
- Embody Gamma's Guiding Principles
- Act as brand ambassadors and engines of innovation

Engagement Channels

- Townhalls
- Performance reviews
- Engagement surveys
- Health and safety sessions
- Training and development programmes

Key Topics of Interest

- Environment of trust and respect, promoting fairness
- Development opportunities and career growth
- Fair rewards and inclusivity
- Workplace safety and well-being

Our Response and Value Creation Actions

- One-to-one and team discussions (formal and informal)
- Performance reviews, career talks
- Learning and development programmes
- Social and team engagement activities
- Provision of tools and resources to succeed

STRATEGIC PARTNERS

They Matter to Us

- Build strategic alliances that drive growth, innovation, and efficiency
- Tap into complementary expertise and synergies
- Support expansion into new markets

Engagement Channels

- Governance forums
- Networking events and industry gatherings
- Business forums and conferences

Key Topics of Interest

- Shared objectives for long-term value
- Open, collaborative communication
- Respect for contributions and expertise
- Integrity and transparency

Our Response and Value Creation Actions

- Mutually beneficial agreements
- Joint strategic projects
- Open communication and reporting
- Knowledge sharing and innovation

STAKEHOLDER ENGAGEMENT CONTINUED

SUPPLIERS

They Matter to Us
- Ensure reliability and quality across the supply chain
- Support innovation and regulatory compliance
- Enable timely delivery and cost efficiency

Engagement Channels
- Supplier assessments and feedback
- Transparent procurement processes and contracts
- Innovation and capability-building sessions

Key Topics of Interest
- Timely payments and fair business practices
- Opportunities for capacity-building and growth

Our Response and Value Creation Actions
- Transparent communication and feedback mechanisms
- Supplier development and capacity-building initiatives

FINANCIAL INSTITUTIONS

They Matter to Us
- Provide funding for growth, liquidity, and investment
- Maintain trust through financial discipline and transparent reporting

Engagement Channels
- Financial disclosures
- Relationship meetings
- E-mails and phone calls
- Site visits
- Website

Key Topics of Interest
- Strong financial performance
- Governance and regulatory compliance
- Transparency in communication and disclosures

Our Response and Value Creation Actions
- Accurate and timely financial reporting Long-term relationship built on trust, reputation, and track record
- Transparent disclosure of financial information

GOVERNMENT AND REGULATORS

They Matter to Us
- Ensure compliance with laws and regulations
- Enable business continuity and operational licences
- Support national priorities and sustainable development

Engagement Channels
- Regulatory filings
- Engagement via forums and consultations
- Participation in industry associations and working groups

Key Topics of Interest
- Legal, tax, and health & safety compliance
- Environmental and social responsibility
- Contribution to economic development and infrastructure

Our Response and Value Creation Actions
- Compliance with applicable laws and policies
- Timely reporting and regulatory adherence
- Active participation in regulatory discussions

SOCIETIES AND COMMUNITIES

They Matter to Us
- Contribute to local development and inclusive growth
- Reflect Gamma's social responsibility and values
- Support CSR and sustainability goals

Engagement Channels
- Community outreach and sponsorships
- NGO partnerships
- Feedback dialogues

Key Topics of Interest
- Job creation and local hiring
- Access to education and healthcare
- Inclusivity and environmental stewardship

Our Response and Value Creation Actions
- CSR initiatives through Gamma Foundation
- Support for community projects and education
- Initiatives aligned with priority needs
- Active partnerships to build inclusive and resilient communities

SUSTAINABILITY AT GAMMA

ROOTED IN OUR VALUES, SHAPING OUR FUTURE

Sustainability is not a trend we follow; it is a path we have long chosen. At Gamma, we believe that responsible growth and long-term value creation go hand in hand. This belief is deeply embedded in our mission to contribute meaningfully to the economic and social development of Mauritius, and in our vision to build infrastructure and services that serve both present and future generations.

2024 marks a defining moment in our sustainability journey, not because we are beginning, but because we have gone through a deeper reflection and formalising what has always guided us. With structured actions, shared commitments and clear accountability, we are embedding sustainability across every level of our organisation, from boardroom strategy to operational practice.

Our approach is shaped around practical focus areas - empowering our people, reducing environmental impact, using resources wisely, supporting resilient communities, and upholding robust governance. These pillars align with the United Nations Sustainable Development Goals (SDGs), reinforcing our shared responsibility in addressing global challenges.

This chapter reflects how these principles are being brought to life across our Group's diverse entities through actions driven by leadership, inspired by our people, and consistent with Gamma's enduring values.

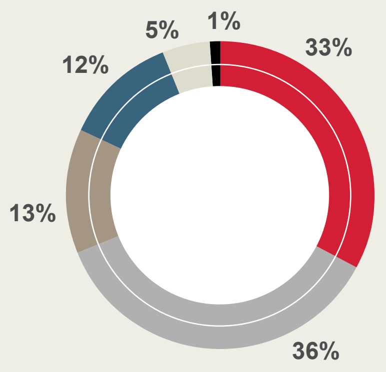
OUR PEOPLE: SAFETY, DEVELOPMENT & CULTURE

At the heart of Gamma's success is a diverse and dedicated workforce. Across sectors and entities, we are investing in our people's safety, development, and sense of belonging, ensuring they are equipped, supported, and empowered to grow.

OUR WORKFORCE AT A GLANCE

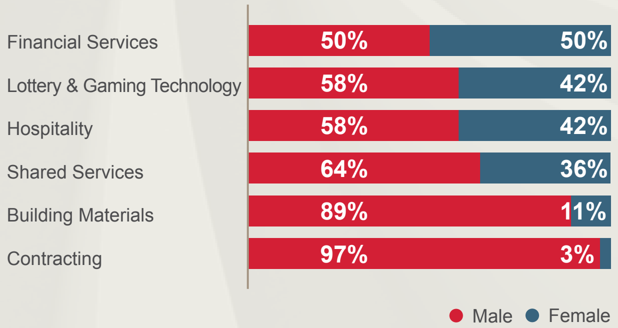
Total Headcount

Years of Service



Gamma's diverse businesses (including joint ventures and associates) employ **2,860** people across a wide range of roles and expertise. More than **30%** have over 5 years of service, contributing to operational stability and institutional knowledge.

Gender representation across clusters



Gender representation varies across clusters, reflecting the distinct workforce profiles of each sector.

Investment in learning and development in 2024

31,354 Hours

MUR **14** M

Protecting and Empowering our People

Beyond the numbers is a deeper commitment to the people who power our progress. Gamma Group believes that every employee deserves not only a safe working environment, but also meaningful opportunities to grow.

Our safety-first philosophy ensures that physical wellbeing is prioritised across all sectors, especially those with higher exposure to operational risk. At the same time, we continue to invest in talent to foster future leaders, nurture career paths, and reinforce a culture of continuous learning. Together, these priorities form the foundation of a resilient and engaged workforce.

WORKPLACE SAFETY

8 DECENT WORK AND ECONOMIC GROWTH

Strengthening workplace safety through effective risk control, rigorous standards, and a commitment to wellbeing.

KOLOS CEMENT

- Recorded zero lost-time injuries in 2024, supported by enhanced risk assessments, toolbox talks, and mandatory safety drills, an important milestone in a high-risk sector.

GAMMA MATERIALS

- Reinforced its safety culture through successful ISO 9001, 14001, and 45001 audits in August 2024, with all certifications recommended for renewal. A PREVENCEM compliance audit in May 2024 also led to targeted improvements across facilities.

GAMMA CONSTRUCTION

- Reduced its Lost Time Injury rate from 1.15 to 0.84. This progress was supported by a significant increase in training efforts, with 22 safety sessions conducted during the year, up from 10 in 2023.

ALPHA CIMENT

- In June 2024, an accident occurred at Alpha Ciment's Tanjombato plant involving a subcontractor. The incident, linked to improper use of equipment and safety tethering, prompted immediate corrective actions. These included a full safety audit, the recruitment of a dedicated Quality, Safety and Environment Manager, implementation of an Integrated Management System, and a medical risk assessment across sites.
- In contrast, the Ibity site celebrated 1,266 accident-free days, reflecting the organisation's ongoing efforts to strengthen its safety culture.

LOTTOTECH

- Introduced the "Art of Self-Care for Professionals", a structured programme offering monthly mental health workshops for managers and key staff members.

TRAINING AND CAREER DEVELOPMENT

8 DECENT WORK AND ECONOMIC GROWTH

Investing in core skills and leadership capacity to support career growth and strengthen organisational resilience.

LOTTOTECH

- Delivered over 1,700 training hours, including emerging skills such as AI and business analytics, reinforcing its "Buy, Build, Borrow" talent model, with 40% of employees identified as key contributors.

GAMMA MATERIALS

- A structured mentorship programme supports new employees, while succession planning and competence matrices are actively maintained and enriched through the 'entretien professionnel' development exercise.

KOLOS CEMENT

- Launched an employee handbook, mobile HR system, and wellness programmes, alongside engagement initiatives such as Employee Appreciation Day to foster a more inclusive and connected workplace culture.

SUSTAINABILITY AT GAMMA CONTINUED

ENVIRONMENTAL STEWARDSHIP & RESOURCE MANAGEMENT

Sustainable Resource Use

The Group operates across sectors such as construction, building materials, and hospitality that have direct impact on natural resources. Responsible resource management, with focus on improving energy efficiency, conserving water, reducing waste, and advancing circular economy practices, is a core priority.

ENERGY EFFICIENCY

7 AFFORDABLE AND CLEAN ENERGY

Reducing energy consumption and associated carbon emissions across operations through more efficient production, low-energy systems, and investment in sustainable technologies.

KOLOS CEMENT

- Implemented a new plant startup procedure, solar floodlighting, and a power factor correction system, leading to a slight reduction in energy consumption to 2.21M kWh (from 2.23M kWh in 2023).

HILTON MAURITIUS

- Upgraded all water heaters and steam boilers to more energy-efficient systems. The hotel also achieved 100% LED lighting conversion, installed motion sensors and timers in all public areas, and set up a dedicated energy team to regularly monitor and implement energy-saving measures.

ALPHA CIMENT

- Energy consumption at its largest factory rose slightly to 11.95M kWh in 2024 (from 11.76M kWh in 2023), reflecting improved machine throughput. At the same time, the company replaced energy-intensive motors to enhance long-term efficiency.

CIRCULAR ECONOMY

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Minimising waste and maximising resource efficiency across the Group's activities through integrated circular economy principles.

GAMMA CONSTRUCTION

- Introduced monolithic formwork, replacing traditional systems to reduce material waste and improve efficiency in large-scale infrastructure projects.

KOLOS CEMENT

- Recycled 27,118 tonnes of plastics, paper, e-waste, used oil, scrap metals and pallets, representing a 65% increase from last year.

ALPHA CIMENT

- Recycled 268 tonnes of waste in 2024 (68 tonnes in 2023), through initiatives such as scrap metal recovery, plastic and glass reuse, and responsible waste oil treatment.

WATER CONSERVATION

6 CLEAN WATER AND SANITATION

Optimising water usage by improving efficiency, eliminating leaks, and increasing reuse throughout the Group.

HILTON MAURITIUS

- Upgraded sewerage treatment plant, enabling 100% greywater recycling for irrigation. Additionally, around 60% of the property's total water use now comes from its in-house desalination plant, significantly improving water self-sufficiency.

ALPHA CIMENT

- Strengthened water efficiency at the largest plant through a closed water circuit system used to cool grinding mill motors. Daily monitoring and targeted leak elimination further supported efforts to optimise water use and reduce wastage.

SUSTAINABILITY AT GAMMA CONTINUED

Gamma Materials: Advancing Circular Economy and Sustainable Construction

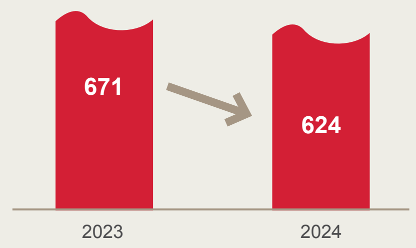
As an ISO 14001-certified company, Gamma Materials upholds high environmental management standards, ensuring its operations align with international best practices. In 2024, the company launched two flagship initiatives, Presse à Boue and Gamma R, to deepen its engagement to circular economy principles and address critical sustainability challenges in the construction sector.

Presse à Boue: Transforming Wastewater into a Resource

To improve water efficiency and waste management, Gamma Materials deployed the Presse à Boue system at its Fond du Sac and Rose Belle sites in early 2024. This innovative treatment and recovery technology transforms wastewater into reusable water while reducing the volume of solid waste.

- **Water reuse and conservation:** Water extracted from sludge is repurposed for industrial uses, reducing overall consumption.
- **Waste reduction**: The system lowers landfill dependency by reducing solid waste volumes.

Reduced water usage, driven by the efficiency of the Presse à Boue system




Presse à Boue

Gamma R: Redefining Sustainable Building Materials

Gamma R is a new range of 100% recycled construction blocks developed to reduce waste from construction and demolition activities. By repurposing discarded materials into durable, high-performance building blocks, the initiative supports a lower-carbon and resource-efficient construction model.

- **Waste repurposing:** Diverts large volumes of construction debris and industrial by-products from landfill.
- **Sustainable infrastructure:** Gamma R products are used in infrastructure projects, embedding sustainability in the built environment.


Gamma R blocks

As Mauritius moves toward a more resilient construction sector, Gamma Materials is playing a key role in the transition to circularity and responsible material use.

Sustainable infrastructure and Green Building practices

Beyond operations, sustainability is also shaping the way we design and develop the spaces we work in. In 2024, the Real Estate cluster launched Civic Central, a landmark office development in Ebène, Mauritius. Designed by a renowned international architectural firm, Civic Central aims to redefine urban workspaces with a focus on sustainability, wellness, and design excellence.

Spanning approximately 17,500m², the property brings together premium office spaces, food and beverage outlets, coworking areas, and double basement parking, all set within a thoughtfully landscaped environment. The development has already achieved LEED Platinum pre-certification, reflecting its commitment to environmental performance and operational efficiency. Incorporating WELL–certified design principles, the project is poised to become a preferred destination for corporates seeking workspaces that align with ESG goals and employee well-being–setting a new benchmark for sustainable commercial real estate in Mauritius.

OUR SUPPORT FOR INCLUSIVE DEVELOPMENT

Gamma Foundation: Driving Lasting Community Impact

As the Group's dedicated corporate social responsibility (CSR) arm, Gamma Foundation actively engages with communities to drive meaningful, long-term socio-economic development. Since its establishment in 2010, the Foundation has become a key pillar in supporting education, poverty alleviation, health, and environmental sustainability and aligning its initiatives with 4 UN SDGs: No Poverty, Zero Hunger, Good Health & Well-being, and Quality Education.

SUSTAINABILITY AT GAMMA CONTINUED

Gamma FOUNDATION

2024 IN ACTION

In 2024, Gamma Foundation supported 11 NGOs with a total contribution of Rs 3.1M, channelling resources into education, inclusion for people with disabilities, child protection and welfare, health and medical care and social integration through the arts, reinforcing its commitment to inclusive and holistic development.

MUR **3.1M**
Disbursed

11
NGOs Supported

#givedreamsachance Parrainage Programme

For the past 15 years, the Foundation has consistently supported Centre de l'Amitié, a pre-primary and nursery school in Bambous, ensuring that children receive the care, education, and opportunities they deserve.

Launched in 2023, the #givedreamsachance parrainage programme provides nutritious meals to help children stay focused in class, school supplies, nursery essentials for their well-being, and ongoing financial support to ensure the school runs smoothly. With the unwavering support from the parrains, marraines, and sponsors across the Gamma Group: Gamma Civic Ltd, Gamma Corporate Services Ltd, Gamma Construction Ltd, Gamma Materials Ltd, Kolos Cement Ltd, Lottotech Ltd, Hilton Mauritius Resort & Spa, and CG Re (Africa) Ltd, the initiative is a success.

Through the #givedreamsachance initiative, Gamma Foundation continues to empower young minds and support families, laying the groundwork for lasting impact for generations to come.

Entity-Led Community Engagement

Beyond the efforts of Gamma Foundation, several entities across the Group engage directly with local communities through targeted CSR initiatives.

EDUCATION & YOUTH EMPOWERMENT

Investing in education is a central pillar of our social outreach. Kolos Cement continued its long-standing "École des Maçons" initiative, delivered in partnership with MITD. The programme offers free training that blends traditional and modern masonry techniques. On 21 November 2024, the team celebrated the graduation of 10 participants who completed 130 hours of training, bringing the total number of trained individuals to over 400 since the initiative's inception in 2013. Alpha Ciment invested in school infrastructure by constructing 4 classrooms, rehabilitating 8 others, and building a school canteen serving 450 meals daily. Lottotech reinforced its commitment to education and empowerment through support for underprivileged children included school supply donations, literacy initiatives, and engaging fun days to encourage learning in a nurturing environment. The company also continued its LottotechSeeds programme, now in its fifth edition, empowering Mauritian women with the skills, confidence, and support to pursue entrepreneurial opportunities and build brighter futures.


École des Maçons by Kolos Cement


LottotechSeeds – 5th Edition

HEALTH & WELLBEING

Gamma Group support access to preventive, curative, and mental healthcare. The Hilton Charity Trail, now in its eighth edition, brought together over 600 participants in a series of inclusive races, raising MUR 360,000 for three local NGOs. Held at Domaine de Wolmar, the event promoted community engagement and social inclusion through sport. An additional MUR 75,000 was contributed by Gamma Foundation. In the same spirit, Alpha Ciment was the main sponsor of the eight edition of the Ibity Trail, a fundraising event in support of the Ibity Nutrition House. The initiative contributed to the donation of 19,200 doses of spirulina to children suffering from malnutrition.


Hilton Trail – 8th Edition


Ibity Trail – 8th Edition

ENVIRONMENT & CLIMATE ACTION

Environmental stewardship is not limited to our operations. It is also reflected in how we engage with communities. Kolos Cement's "Retourn to Plastik" project aims to repurpose used plastic cement bags into construction-grade poly-pipes, promoting circularity and reducing plastic waste. Alpha Ciment and its partners planted over 60,000 trees using community-led nurseries, contributing to reforestation efforts and ecosystem resilience. Lottotech contributed through beach clean-ups, reef restoration, and biodiversity conservation activities at Ebony Forest and Île d'Ambre. These interventions reflect our shared commitment to preserving natural ecosystems and raising awareness on climate resilience at the grassroots level.


Alpha Ciment team during tree planting activity


"Retourn to Plastik" by Kolos Cement

RESPONSIBLE BUSINESS & GOVERNANCE

Governance is a cornerstone of Gamma Group's overall strategy, ensuring that its growth is guided by ethical business practices, robust compliance measures, and responsible corporate citizenship.

In 2024, Kolos Cement obtained ISO 27001 certification, reinforcing its commitment to cybersecurity and regulatory compliance. This globally recognised standard strengthens data protection protocols and further builds stakeholder trust through robust information security management. In parallel, Lottotech continued to strengthen consumer protection through its responsible gaming initiatives, ensuring regulatory alignment while promoting safe and informed player engagement.

Alongside compliance and ethical leadership, digital governance has become an increasingly critical pillar of operational integrity. Over the course of 2024, Gamma Civic's IT team strengthened operational resilience by developing a more comprehensive Business Continuity Plan for IT services and advancing cyber-resilience through targeted actions. This included vulnerability assessments, ransomware response playbooks, and structured employee awareness training. In parallel, the team addressed all audit actions raised, reinforcing accountability and ensuring alignment with Group IT policies and governance standards.

Read more about our governance practices in the Corporate Governance chapter

LOOKING AHEAD: STRENGTHENING OUR SUSTAINABILITY FOUNDATIONS

Gamma's sustainability journey continues to take shape - guided by our values, informed by experience, and grounded in our commitment to long-term responsibility.

As we move forward, our focus is on deepening the foundations: enhancing how we capture, consolidate and interpret data, aligning sustainability priorities across our diverse entities and steadily improving the way we track and report environmental and social performance.

Looking to 2025, we are preparing to introduce clearer indicators and more structured monitoring processes. These steps will support more consistent and transparent reporting across the Group. While there is still work ahead, the progress captured in this chapter represents a meaningful milestone: one that reflects our intent to embed sustainability not just in what we do, but in how we measure our impact, manage our growth, and shape our future.

04

Operating Review

ORGANISATION STRUCTURE & EXECUTIVE TEAM

GROUP & DIVISIONAL REVIEW

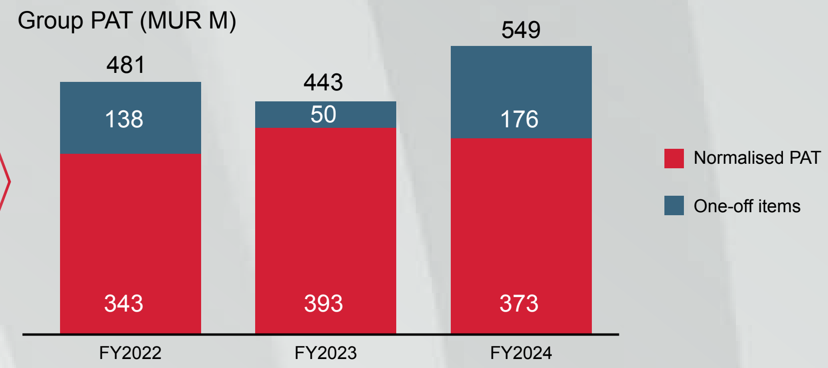
GROUP REVIEW

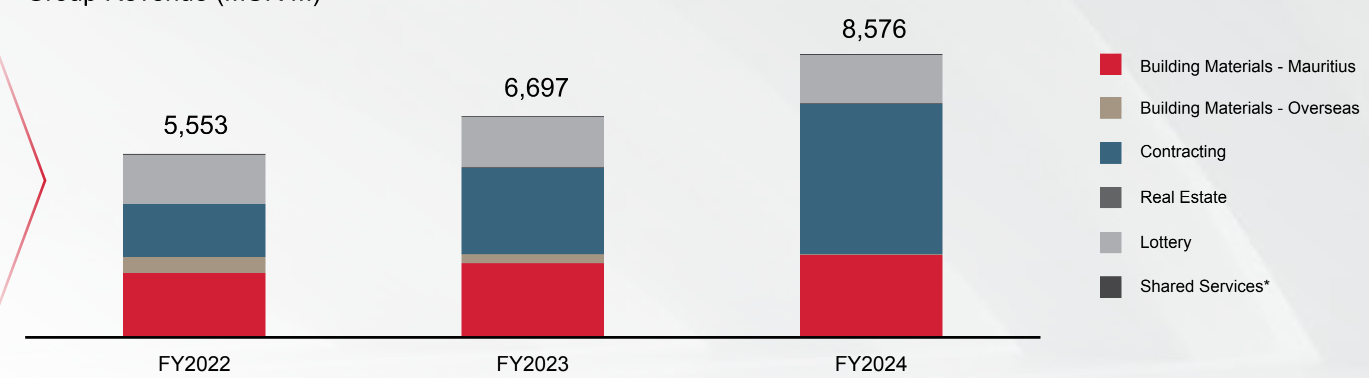
The Group achieved revenue of MUR 8,576 million in 2024, up from MUR 6,697 million in the previous year, reflecting a robust 28% year-on-year growth. This strong performance was primarily driven by the Contracting segment, which successfully capitalised on large-scale infrastructure projects across Mauritius. The sustained activity in the construction sector of the economy also supported improved performance in the Building Materials segment, which benefited from increased demand and operational efficiency.

Profit after tax (PAT) for the year stood at MUR 549 million, inclusive of a one-off gain from the deconsolidation of a subsidiary. The main contributors to PAT were the Contracting, Building Materials, and Financial Services segments, which continued to demonstrate resilience and strong execution.

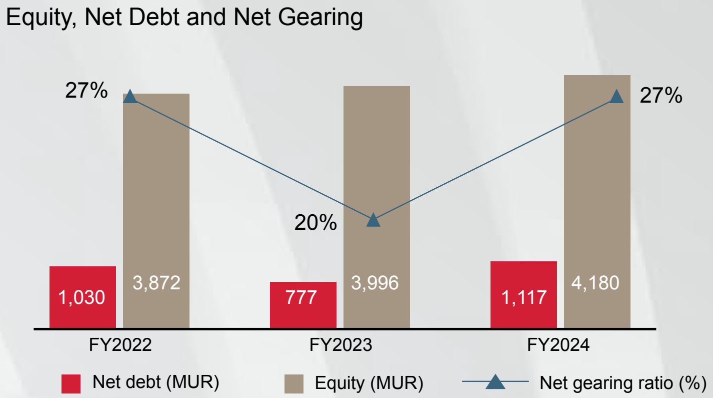
While our recently established joint venture in Madagascar posted a loss in its first year, the turnaround plan is progressing as anticipated, and signs of operational improvement are emerging. The Group remains confident in the long-term potential of this investment, with improved performance expected in 2025.

Normalised PAT excludes, (i) FY2022 first time revaluation gain on property, (ii) FY2023 net reversal of provision on doubtful debt for a major customer, (iii) FY2024 profit on deconsolidation of subsidiary.

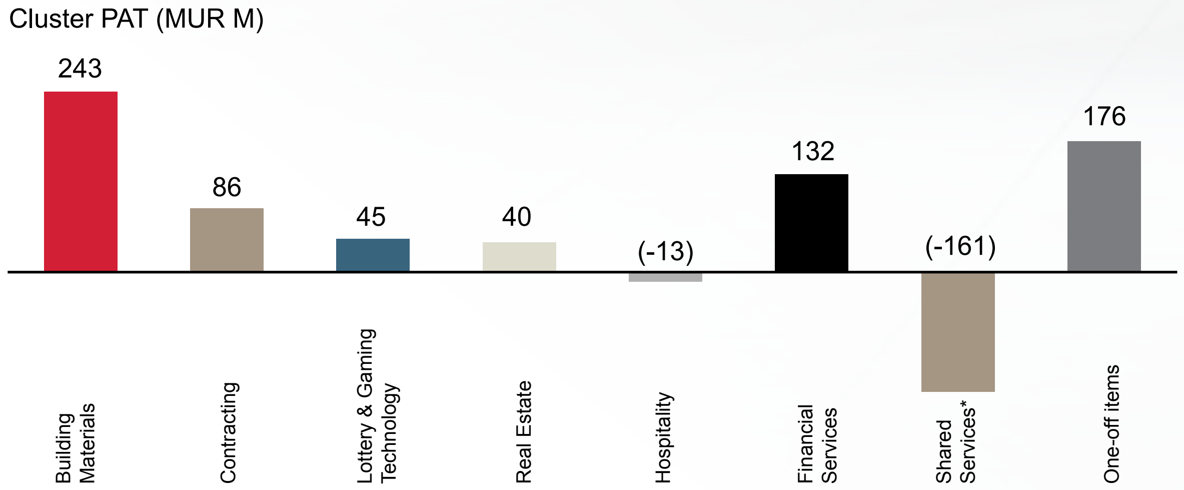




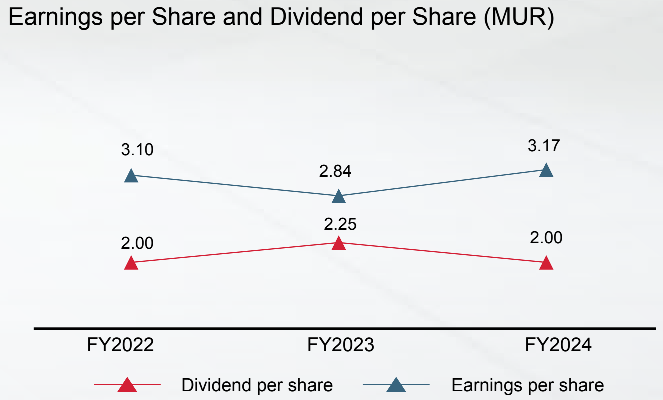
Includes corporate office support, net of Group eliminations



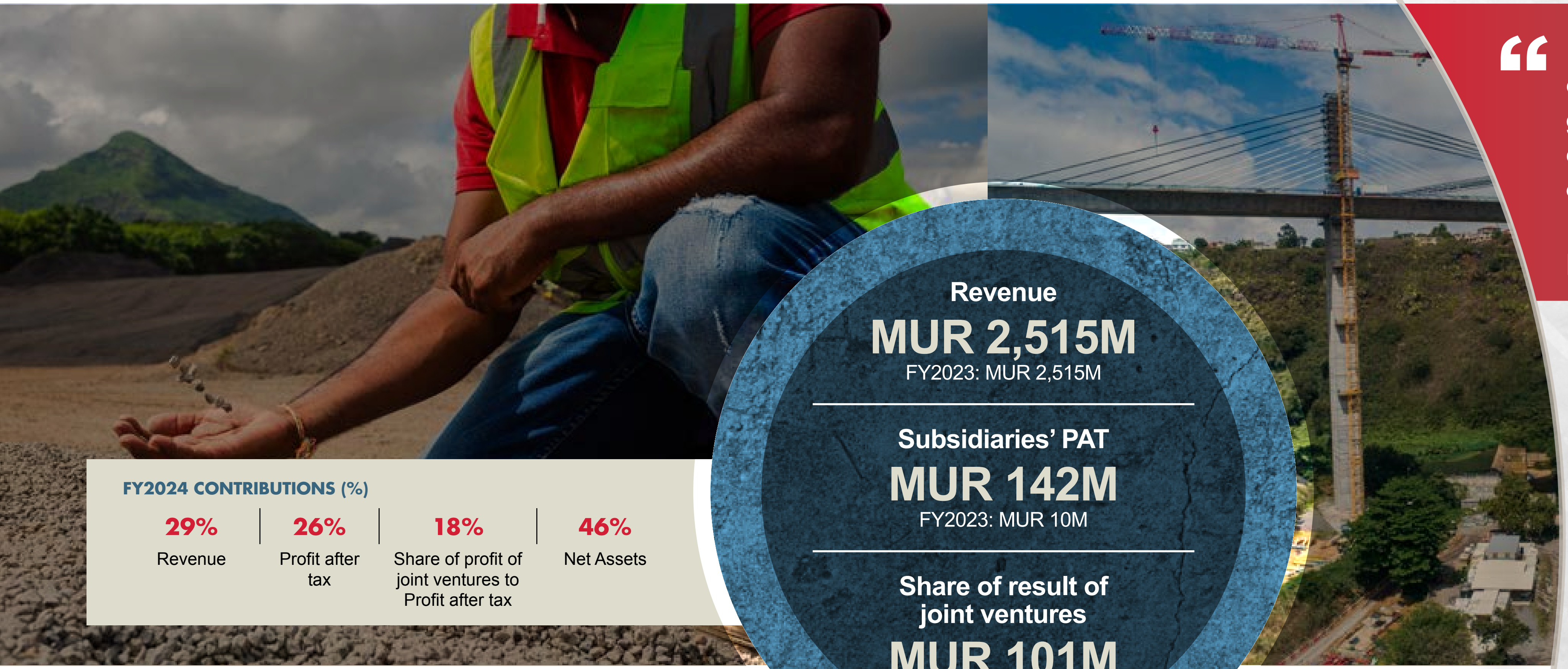
Net debt increased to MUR 1,117 million in line with our diversification strategy during the year. The gearing ratio stood at 27% and is expected to rise further, remaining within prudent levels as the Group continues to pursue its growth ambitions.



In 2024, Gamma Civic Ltd recorded earnings per share (EPS) of MUR 3.17, marking a recovery from MUR 2.84 in 2023 and aligning with the Group's improved profitability. The EPS trajectory reflects our solid operational performance and sustained value creation for shareholders. A dividend of MUR 2.00 per share was declared for the year, maintaining consistency with prior years and demonstrating our commitment to delivering stable returns, even as we invest in strategic growth initiatives.



DIVISIONAL REVIEW: **BUILDING MATERIALS**



FY2024 CONTRIBUTIONS (%)

29%	26%	18%	46%
Revenue	Profit after tax	Share of profit of joint ventures to Profit after tax	Net Assets

Revenue
MUR 2,515M
FY2023: MUR 2,515M

Subsidiaries' PAT
MUR 142M
FY2023: MUR 10M

Share of result of joint ventures
MUR 101M
FY2023: MUR 173M

> Expanding our footprint beyond local borders not only diversifies our risk profile but also opens access to new growth markets. This regional strategy is expected to enhance our resilience and contribute to long-term value creation. Meanwhile, the strong market positioning of our local operations provides a solid foundation for sustained positive performance.

OVERALL PERFORMANCE AND OUTLOOK

Revenue has remained stable at MUR 2,515 million compared to prior year, reflecting the disposal of our Madagascar subsidiary during the year, which is now part of a newly formed joint venture. Revenue from our local operations grew by 11%, supported by large-scale infrastructure projects and favourable market conditions.

Although the new joint venture in Madagascar posted a loss in its first year, encouraging signs have emerged in early 2025 under new management. These initial improvements reinforce our confidence in the long-term potential of this investment and validate the Group's strategy to pursue new growth avenues in the region.

Our local joint venture, Gamma Materials Ltd, delivered an 18% improvement in performance, largely driven by its ability to capitalise on sustained demand from national infrastructure projects.

Meanwhile, we remain actively engaged with local authorities to address the impact of cement price controls on the industry. While public infrastructure activity is expected to soften in 2025, we anticipate that increased activity in private commercial and residential developments will provide partial offset.

KEY INPUTS

- Raw materials (gravel, cement, aggregates)
- Manufacturing equipment and machinery
- Skilled labour (production workers, quality control)
- Energy resources (electricity, fuel)
- Research and development for product innovation

KEY OUTPUTS

- Manufactured building materials (cement, aggregate, concrete, bricks, pavements)
- Product quality and adherence to industry standards
- Waste management and recycling initiatives
- Supply chain management and logistics

KEY REVENUE DRIVERS

- Sales of building materials
- Pricing strategy and cost management
- Brand reputation and customer satisfaction
- Market demand for residential and commercial development
- Geographic expansion into new markets

Bernard Lan
Gamma Materials Ltd
General Manager

Vishen Gopalla
Kolos Cement Ltd
Chief Executive Officer

Irshad Tarsoo
Gamma Materials Ltd
Head of Finance

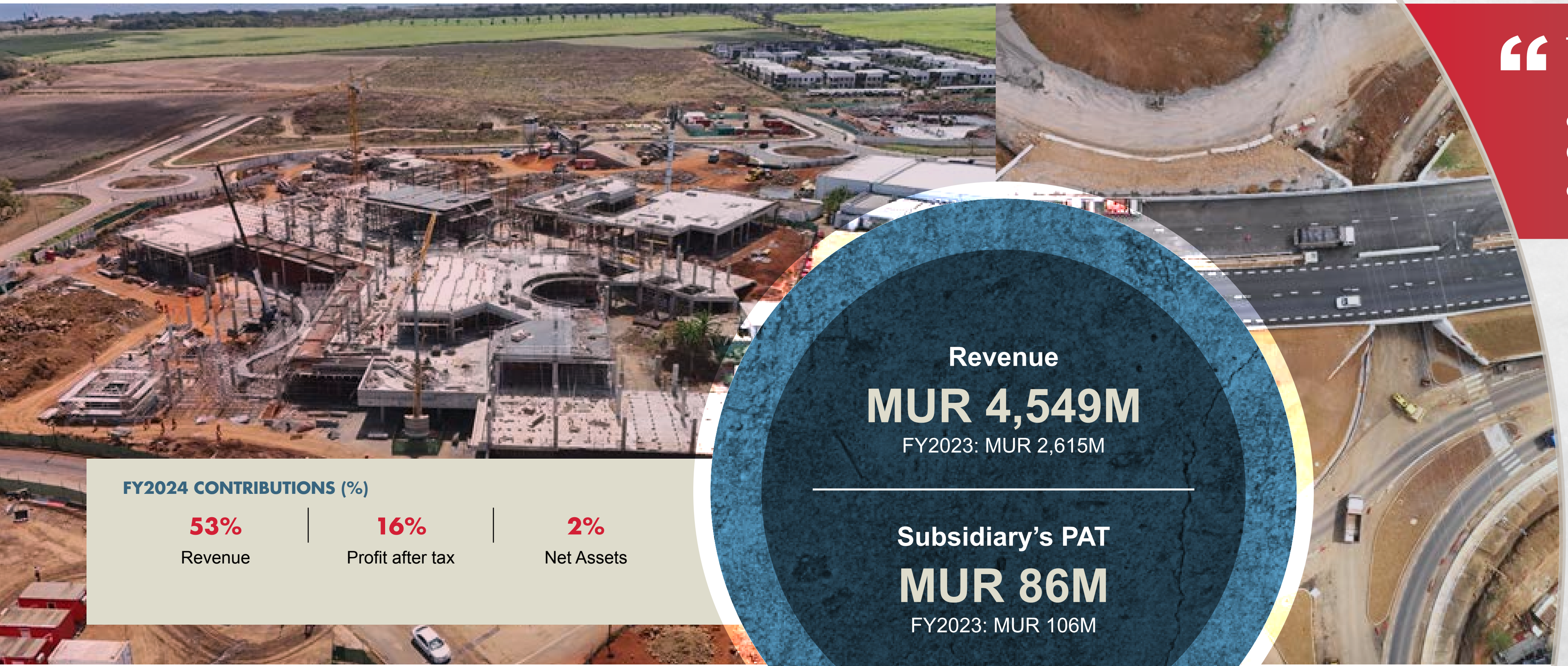
Chaveesh Gunesie
Kolos Cement Ltd
Head of Finance

Vincent Blanchet
Alpha Ciment SA
General Managerr

Simon Andriamampianina
Alpha Ciment SA
Head of Finance

Learn more about our main operating entities and leadership team on our website

DIVISIONAL REVIEW: **CONTRACTING**



FY2024 CONTRIBUTIONS (%)

53%	16%	2%
Revenue	Profit after tax	Net Assets

Revenue

MUR 4,549M

FY2023: MUR 2,615M

Subsidiary's PAT

MUR 86M

FY2023: MUR 106M

> The construction sector remains resilient. While major projects are gradually tapering off, robust cost discipline and a strong order book position the Group to sustain momentum and continue delivering consistent performance in the period ahead.

Shailesh Beejadarsing
Gamma Construction Ltd
Chief Executive Officer

Ravi Gutty
Gamma Construction Ltd
Deputy Chief Executive Officer

Jean Paul Yan
Gamma Construction Ltd
Chief Finance Officerr

OVERALL PERFORMANCE AND OUTLOOK

2024 was a standout year for the Contracting cluster, with record revenue of MUR 4,549 million. This performance was driven by the successful execution of several large-scale contracts. These high-value projects significantly boosted topline results and demonstrated the cluster's capability to deliver complex assignments within tight timelines and high-quality standards. Last year's PAT includes a reversal of debtors provision of MUR 50 million.

While some of these major projects near completion, Gamma Construction Ltd remains in a robust financial and operational position. This resilience is underpinned by effective cost discipline and a healthy pipeline of ongoing work orders. Together, these factors ensure sustained momentum and provide a solid foundation for continued performance, even as project cycles evolve.

KEY INPUTS

- Skilled labour (engineers, architects, construction workers)
- Construction materials (concrete, steel, wood, imported bitumen)
- Equipment and machinery (excavators, cranes, tools)
- Permits and regulatory approvals
- Project management and planning expertise

KEY OUTPUTS

- Completed construction projects (residential, commercial, infrastructure)
- Quality of construction and adherence to safety standards
- Environmental impact assessments and sustainability practices
- Employment generation and workforce development
- Stakeholder engagement and community relations

KEY REVENUE DRIVERS

- Contract awards and project bids
- Revenue from completed projects (construction fees, milestones)
- Innovation in construction methods and technologies
- Construction projects in the country – including private residences, commercial developments and public infrastructure initiatives

DIVISIONAL REVIEW: **REAL ESTATE**

> Our focus remains on designing and delivering key real estate projects that respond to the evolving needs of our stakeholders.

Revenue

MUR 40M

FY2023: MUR 31M

Subsidiaries' PAT

MUR 39M

FY2023: MUR 7M

FY2024 CONTRIBUTIONS (%)

1%	7%	37%
Revenue	Profit after tax	Net Assets

Faatima Salehmohamed Seetal
Gamma Land Ltd
Head of Real Estate

Anand Cyparsade
Gamma Land Ltd
Head of Real Estate Development Services

OVERALL PERFORMANCE AND OUTLOOK

Revenue increased to MUR 40 million, driven by the full-year rental contribution from our building in Ebène.

The Real Estate cluster holds strategic land assets, with feasibility studies currently underway to evaluate the launch of new commercial and residential developments in the coming year. These projects form part of the Group's long-term value creation strategy, focused on maximising land potential and responding to evolving market needs. The outcome of these studies will guide a phased rollout of developments, aimed at enhancing portfolio returns and reinforcing our position in the real estate sector.

Gamma Land advanced its development agenda in 2024 with the launch of Ovelia, a premium residential project offering thoughtfully designed apartments in Au Bout du Monde. The cluster also unveiled Civic Central, a flagship office development poised to redefine the Ebène skyline with its distinctive architecture and sustainability credentials, including LEED Platinum pre-certification. In parallel, masterplanning began for the long-term transformation of our Beau Bassin site into a mixed-use development, reinforcing Gamma's commitment to shaping future-ready urban spaces.

KEY INPUTS

- Land resources and permits for development
- Skilled workforce (architects, engineers, construction workers)
- Sustainable building materials and technologies
- Infrastructure development (roads, utilities, transportation)
- Environmental impact assessments and regulatory approvals

KEY OUTPUTS

- Completed real estate developments (residential, commercial, tourism)
- Environmental sustainability initiatives (green building practices, waste management)
- Community engagement and social impact assessments
- Employment generation and local economic development

KEY REVENUE DRIVERS

- Sales of developed properties (real estate sales)
- Rental income from leased properties
- Brand reputation and investor confidence

GROUP & DIVISIONAL REVIEW CONTINUED

DIVISIONAL REVIEW: **LOTTERY AND GAMING TECHNOLOGY**

FY2024 CONTRIBUTIONS (%)

17%	18%	(9)%	9%
Revenue	Profit after tax	Share of (loss) of joint venture to Profit after tax	Net Assets

Revenue
MUR 1,449M
FY2023: MUR 1,520M

Subsidiaries' PAT
MUR 96M
FY2023: MUR 157M

Share of result of joint ventures
Loss
MUR 51M
FY2023: Profit MUR 10M

OVERALL PERFORMANCE AND OUTLOOK

The Lottery and Gaming Technology cluster experienced mixed results in 2024. Revenue in the Lottery segment declined slightly compared to the previous year, primarily due to the absence of large jackpot wins, historically a key driver of player engagement and ticket sales. However, this was partially mitigated by the successful rollout of new game offerings, which enriched the product mix, helped sustain interest, and demonstrated the Group's agility and focus on innovation in a competitive market.

Our gaming technology joint venture, LudWin, which provides services across African markets, also recorded a decline in performance as sales in certain countries fell short of expectations. In response, the Group took bold and decisive action by exiting underperforming markets to reallocate resources toward stronger-performing regions and higher-potential opportunities. This repositioning is expected to support a more focused and sustainable growth trajectory moving forward.

Looking ahead, the Lottery segment will continue evolving with a clear emphasis on product innovation and enhanced player engagement. While revenue may remain sensitive to jackpot volatility, the introduction of new games, targeted product enhancements and digital offering are expected to maintain customer interest and broaden market appeal.

KEY INPUTS

- Gaming licenses and regulatory compliance
- Technology infrastructure (online platforms, gaming systems)
- Skilled workforce (game developers, customer support)
- Marketing and advertising campaigns
- Responsible gaming initiatives and player protection programs

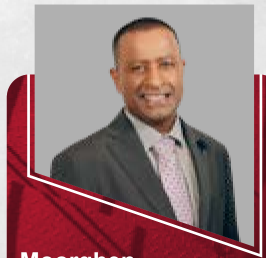
KEY OUTPUTS

- Lottery ticket sales and gaming revenue
- Player engagement and participation rates
- Prizes and payouts to winners
- Contribution to social causes and public projects (lottery funds)
- Regulatory reporting and transparency

KEY REVENUE DRIVERS

- Ticket sales and gaming transactions
- Partnerships with retailers and online platforms
- Innovation in gaming products and services
- Disposable income of population

> "The Lottery and Gaming Technology cluster is well positioned for long-term value creation, underpinned by continued product diversification and regional optimisation.



Moorghen Veeramootoo
Lottotech Ltd
Chief Executive Officer

Shaun Kim Tiam Fook Chong
Lottotech Ltd
Deputy Chief Executive Officer/Chief Financial Officer

GROUP & DIVISIONAL REVIEW CONTINUED

DIVISIONAL REVIEW: **HOSPITALITY**

FY2024 CONTRIBUTIONS (%)

(2)%	6%
Share of loss of associate to Profit after tax	Share of net assets of associates

Share of result of associate

Loss

MUR 13M

FY2023: Loss MUR 23M

OVERALL PERFORMANCE AND OUTLOOK

The Hospitality segment experienced a slow start to the year, with performance initially affected by low occupancy following the property's reopening in December 2023 after extensive renovation works. As the year progressed, occupancy levels steadily improved–signaling renewed market confidence and growing guest interest in the upgraded offering.

With stronger booking trends and improved market visibility, the hotel is well-positioned to maintain performance levels in a more moderate tourism environment. While sector growth may soften in 2025, the property's upgraded offerings are expected to support continued guest interest and stable returns.

KEY INPUTS

- Skilled workforce (hospitality professionals)
- Raw materials and supplies (food, beverages, linens, amenities)
- Capital investments (property, facilities, equipment)
- Customer feedback and satisfaction data
- Marketing and promotional efforts

KEY OUTPUTS

- Guest experiences and satisfaction levels
- Quality of services provided (dining, accommodation, amenities)
- Environmental impact (waste management, energy usage)
- Employee engagement and satisfaction
- Community engagement and contributions

KEY REVENUE DRIVERS

- Room occupancy rates
- Average daily room rate (ADR)
- Food and beverage sales
- Event bookings and conference facilities
- Spa and leisure services

> "With enhanced facilities and better positioning, our Hospitality segment is expected to deliver improved performance going forward.

Jacques Brune
Morning Light Co. Ltd (Hilton Mauritius Resort & Spa)
General Manager

Bipin Sobnack
Morning Light Co. Ltd (Hilton Mauritius Resort & Spa)
Director of Finance

DIVISIONAL REVIEW: **FINANCIAL SERVICES**

FY2024 CONTRIBUTIONS (%)

24%	**8%**
Share of profit of associate to Profit after tax	Share of net assets of associates

Share of result of associate

MUR 132M

FY2023: MUR 97M

OVERALL PERFORMANCE AND OUTLOOK

Jasiri Group delivered stronger results compared to the previous year, driven by continued business expansion. Gamma Group's share of profit increased by 36% to MUR 132 million.

With ongoing regional growth, the business is well positioned to become a key reinsurance player in Sub-Saharan Africa.

KEY INPUTS

- Skilled workforce
- Relationships with insurers and reinsurers
- Regulatory compliance and legal expertise
- Technology infrastructure

KEY OUTPUTS

- Reinsurance placements and negotiations
- Risk assessment and underwriting support
- Market insights and intelligence reports
- Client satisfaction and relationship management
- Compliance and governance reporting

KEY REVENUE DRIVERS

- Premiums from reinsurance placements
- Commission and fees from brokerage services
- Growth in client base and market share
- Expansion into new African markets
- Innovation in reinsurance products and solutions

05

Corporate Governance

CORPORATE GOVERNANCE REPORT

INTRODUCTION

The Board of Directors (the "Board") is of the firm belief that good governance remains at the heart of the Company and the Group. It is the Board's responsibility to ensure that the Company applies the eight principles as laid out in the National Code of Corporate Governance for Mauritius 2016 (the "Code"), as far as reasonable.

PRINCIPLE 1: GOVERNANCE STRUCTURE

Board Structure

Board of Directors

The Company's Constitution provides that the Board shall consist of not less than two and not more than twelve Directors. Presently the Board is composed of nine Directors, made up of three Independent Non-Executive Directors, three Non-Executive Directors and three Executive Directors.

The composition of the Board is in line with the Code, having the appropriate mix of Executive, Non-Executive and Independent Directors for a unitary Board. Furthermore, the Board has the required mix in terms of diversity, skills, experience, independence and knowledge to play its role fully in serving the best interests of all stakeholders.

Committees of the Board

Committees of the Board are set up in order to assist the Board in efficient decision-making, with no decision-making powers. The Committees can only make recommendations to the Board.

Gamma Civic Ltd has two permanent Committees, namely the Audit and Risk Committee and the Corporate Governance Committee.

Governance Documents

The Company has two main internal corporate documents which have been duly approved by the Board and the shareholders, namely the Company's Constitution and the Gamma Charter (the "Charter").

The Company's Constitution

The Company's Constitution is in line with the Companies Act 2001 (as amended) and has no material clauses requiring disclosure.

A copy of the constitution is available for inspection by the shareholders upon request made to the Company Secretary.

The Gamma Charter

The Gamma Charter establishes and stipulates a governance framework, which include the rules, regulations, organization and governance principles that must permeate all levels of the Gamma Group in order to:

Value Rights

Preserve the rights of the shareholders of Gamma Civic Ltd and ensure that Gamma Civic Ltd has sound governance practices throughout the organisation;

Effective Oversight

Enable the Board of Gamma Civic Ltd to have effective oversight of the management of its Group Companies;

Respective Roles & Responsibilities

Clarify the respective roles and responsibilities of Board members and senior executives of the Gamma Group, charged with the executive management of the Gamma Group of companies; and

Protocols & Policies

Establish protocols and policies to promote compliance and consistency within an overall Gamma Group framework of policies and strategies.

The Charter was reviewed when the new Code of Corporate Governance was implemented. The Charter is reviewed every 2 years, or as and when required subject to new legislations or Board decisions. A copy of the Charter is available for inspection by the shareholders upon request made to the Company Secretary.

Key Positions

The Board of the Company has the following key positions, namely:

- The Executive Chairman; and
- Chairman of Board Committees.

The Executive Chairman

The Company has an Executive Chairman who has been duly appointed by the shareholders at the Annual Meeting. He is eligible to stand for his re-appointment at the next Annual Meeting.

The duties and responsibilities of the Executive Chairman are as follows:

Executive Responsibilities

i. Drives management in exploring business development opportunities;
ii. Supervises management in the development and implementation of the Company's strategy in line with the Board's directives;
iii. Ensures the implementation of policies and strategies as resolved by the Board;
iv. Oversees the management of the Company's business and operations;
v. Acts as the direct reporting line for the Group CFO;

Board's & Shareholders' Responsibilities

i. Acts as the direct reporting line for the company secretary;
ii. Provides leadership to the Board and ensure its effectiveness;
iii. Sets the Board's and shareholders' meetings agenda;
iv. Ensures effective links between the shareholders, the Board and management.

Furthermore, it is part of the Executive Chairman's responsibility to ensure that new Directors are properly introduced to the businesses of the Company, with the assistance of the Company Secretary.

In April 2020, the Board appointed Mr Tommy Ah Teck as the Company's Executive Chairman and he has been re-appointed at subsequent Annual Meetings.

Chairman of Board Committees

The Chairman of the Board Committees, namely the Audit and Risk Committee and the Corporate Governance Committee, are responsible:

- For chairing their respective Committees and for ensuring that the Committees deliver as per their respective terms of reference, which are detailed in the Gamma Charter;
- To assist the Board in fulfilling its duties and responsibilities.

Mr Paul Halpin was the Chairman of the Audit and Risk Committee until the last Annual Meeting held on 21 June 2024. On 31 July 2024, the Board approved the new composition of the Audit and Risk Committee with Mr Christian Wiklund as its Chairman. Mr Lim Sit Chen Lam Pak Ng, also known as Maurice Lam, is the Chairman of the Corporate Governance Committee.

PRINCIPLE 2: STRUCTURE OF THE BOARD & ITS COMMITTEES

The Board

EXTRACT OF THE GAMMA CHARTER

The shareholders of Gamma Civic Ltd by ordinary resolution shall determine the size of the Board of Gamma Civic Ltd and hold the ultimate responsibility of electing the persons to act as Directors on the Board.

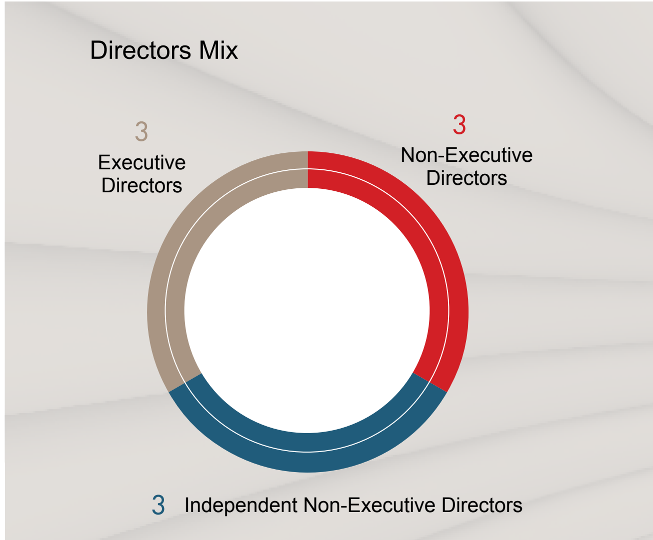
The Board of Directors of Gamma Civic Ltd shall comprise of Executive Directors, Non-Executive Directors and Independent Non-Executive Directors in view of collectively representing a set of skills, competence and experience to adequately fulfil its responsibilities. It shall be a pre-requirement that at least one Independent Non-Executive Director appointed to the Board has the necessary skill and experience in financial matters to ensure that there is an independent judgement on issues of strategy, performance and resources, which are brought before the Board.

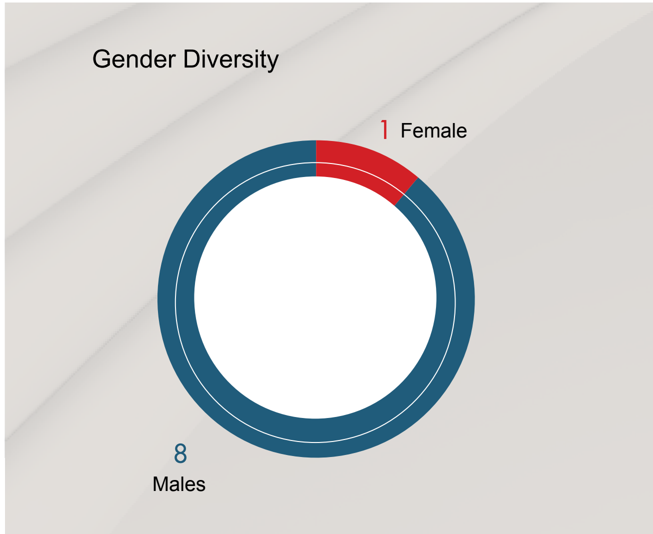
For the period under review, the Company had a unitary Board structure composed of ten Directors until the last Annual Meeting on the 21st June 2024 and nine Directors afterwards.

Profiles of Directors, including details of their appointments in listed companies, have been disclosed in the section "Leadership – Board of Directors" of the Annual Report.

Balance in the Composition of the Board

The shareholders have appointed a Board of Directors which is currently composed of:





The Board acknowledges the importance of gender diversity as outlined in the Code and remains committed to addressing this requirement. While the Company is actively identifying suitable candidates, the Board upholds a merit-based approach, ensuring that qualifications, skills, and experience remain the primary criteria for director appointments. There are ongoing efforts to enhance board diversity while maintaining the highest standards of governance.

Powers of the Board

The role of the Board is first and foremost to direct, govern and control the Company in order to safeguard and enhance its total value and return. This includes overseeing directly or indirectly the company's executive management.

In addition, the Board has the following necessary powers:

- To direct and supervise the management and affairs of the Company for creating and delivering sustainable value;
- To set the strategic direction within a framework of rewards, incentives and controls;
- To ensure that management strikes an appropriate balance between delivering short- and medium-term objectives and promoting long-term growth;
- To ensure that management maintains a system of internal controls and procedures, which provide assurance of effective and efficient operations, internal financial controls and, compliance with existing laws and regulations;
- To act as the decision-making body for all matters of significance to the Company because of their strategic, financial and reputational implications and/or consequences;
- To ensure that the corporate governance system is effectively implemented by management in terms of processes, mechanisms, policies, laws and customs.

Board Meetings - Focus Areas 2024

The Board held quarterly statutory meetings to review the Company's unaudited and audited financial statements, in compliance with the provisions of the Companies Act 2001, the Listing Rules and the Gamma Charter.

Matters discussed by the Board included:

- Strategic position assessment
- Five-year strategic plan, including
  - Value ambition
  - Strategic initiatives with risk assessment
  - Capex plan with financing options
  - Key management agenda items for the next three years based on strategic initiatives
- Budget

CORPORATE GOVERNANCE REPORT CONTINUED

Attendance at Board meetings

For the period under review, the Board has met five times.

Directors	ATTENDANCE
Tommy Ah Teck	5/5
Boon Hui Chan	5/5
Patrice Ah Teck	5/5
Jason Ah Teck	5/5
Jean-Claude Lam Hung	4/5
Maurice Lam Pak Ng	5/5
Paul Halpin [1]	2/2
Marie Claire Chong Ah-Yan	5/5
Twalha Dhunnoo	5/5
Christian Wiklund	5/5

1. Paul Halpin ceased office on 21 June 2024

Committees of the Board

Audit and Risk Committee

COMPOSITION & ATTENDANCE

During the year under review, the Audit and Risk Committee met four times. The members of the Audit and Risk Committee are as follows:

Directors	ATTENDANCE
Paul Halpin (Chairman) [1]	2/2
Christian Wiklund (Chairman) [2]	4/4
Boon Hui Chan	4/4
Maurice Lam Pak Ng	4/4
Jean-Claude Lam Hung	3/4

1. Paul Halpin ceased office on 21 June 2024
2. Christian Wiklund was elected by the Board as Chairman on 31 July 2024

Roles & Responsibilities

The roles and responsibilities of the Audit and Risk Committee are set out in the Gamma Charter. In particular, the Audit and Risk Committee monitors and oversees:

- The Company's financial accounting and reporting practices including:
  - The integrity of financial statements and of internal controls over financial reporting;
  - Appropriateness of accounting policies or practices;
  - Application of new accounting standards;
  - The statement of Directors' responsibilities in relation to the financial statements;
- The system of internal controls and the effectiveness of the internal control framework;
- Compliance with financial reporting standards and with Stock Exchange and legislative requirements relating to financial reporting;
- Internal and external audits:
  - Adequacy and scope of the audit functions;
  - Auditor's qualifications, independence, effectiveness and appointment;
  - Performance review of the auditors;
  - Review and approval of the audit plans for the following year; and
  - Detailed review of deliverables from internal and external auditors;
- The company's information technology environment;
- Monitoring and assessing the Group's risk management framework:
  - Receives regular updates on the Group's risk management strategies, mitigation and action plans;
  - Quarterly formal risk assessment of key business risks and of the company's risk appetite; and
- Review of any litigation.

The Chairman of the Audit and Risk Committee reports quarterly to the Board of Directors on matters related to financial reporting, risk management and the Company's internal control systems.

Risk Review

For the year under review, the Company and the Group continued to monitor and manage the heightened risks previously identified as well as those resulting from current geopolitical tensions in different parts of the world. The risk focus areas of the quarterly discussion with the management team during 2024 continued to be:

- Continuing integration of the Risk Management Framework into strategic planning and value-creation activities;
- Ongoing refinement of the Risk Management Framework in the context of macroeconomic trends;
- The role of risk management in building resilience;
- Scenario planning and risk anticipation across the Group ;
- Investment risk appetite;
- People risk management, to protect our people and their ability to perform effectively;
- Liquidity risk management
- Cyber-security risk

Further information can be found in the Section "Principle 5: Risk Governance and Internal Control".

Corporate Governance Committee

The Corporate Governance Committee acts as a mechanism for making recommendations to the Board on all corporate governance matters relevant to the Company to ensure that the Board remains effective and complies with the Code and prevailing corporate governance principles.

The Committee also fulfils the remuneration and nomination function. The remuneration philosophy is geared towards rewarding efforts and merits for individual and joint contribution to the Company's results, whilst also having due regards to market conditions, the interest of the shareholders and the financial well-being of the Company.

Under the aegis of the Corporate Governance Committee and the Chairman of the Board, the Board members have carried out their appraisal for the year under consideration. The objective of the appraisal is to ensure that the Board and the Directors are fully performing as defined in the Gamma Charter, to meet the expectation of all stakeholders.

Composition & Attendance

During the year under review, the Corporate Governance Committee met once. The members of the Corporate Governance Committee are as follows:

Directors	ATTENDANCE
Maurice Lam Pak Ng (Chairman)	1/1
Boon Hui Chan	1/1
Tommy Ah Teck	1/1
Marie Claire Chong Ah-Yan	1/1
Patrice Ah Teck	1/1

Roles & Responsibilities

The roles and responsibilities of the Corporate Governance Committee are set out in the Gamma Charter.

Corporate Governance

The Committee makes recommendations to the Board on all corporate governance matters, including ensuring that the Company remains compliant to prevailing corporate governance principles and reporting requirements, in line with the Gamma Charter and the Code.

Remuneration

The Committee reviews, assesses and makes recommendations with respect to matters pertaining to the remuneration policy of the Company, ensuring that it remains aligned to prevailing market practices.

In particular, the Corporate Governance Committee is responsible for and has oversight on:

- The preparation of any proposal to the Annual Meeting on matters pertaining to the remuneration of Board members;
- The appointment, remuneration, performance and appraisals of the Directors and senior management team;
- The review of the Company's remuneration system and policies, including performance assessment processes and annual compensation;
- Determining and recommending Committee Members' fees and remuneration to the Board; and
- Liaising with the Board in relation to the preparation of the Committee's report to shareholders with respect to remuneration, as may be required.

Strategic HR Issues

The Corporate Governance Committee would periodically review and assess the Group HR policies. The Committee would discuss with the Executive Chairman and HR team on strategic HR issues, including:

- Employee retention, motivation and commitment;
- Significant employee relations matters;
- The availability of talent for senior roles;
- Results of any group employee engagement survey;
- Progress in equality and diversity in the workplace; and
- The Gamma Group's performance against agreed employee metrics.

Employee Benefit Schemes

The Corporate Governance Committee reviews the Company's policy relating to employee benefits.

Nomination of Directors

The Corporate Governance Committee assists the Board in the nomination of Directors by:

- Identifying individuals qualified to become Board members;
- Recommending Directors to be elected by the Board to fill any vacancies;
- Recommending the appointment and succession of Non-Executive Directors; and
- Overseeing Board induction processes.

Succession Planning

The Corporate Governance Committee oversees the succession planning proposals brought by management to the Committee for senior management and key employees with the potential to move into other functional or leadership roles and make recommendations to the Board, at regular intervals, and at least once a year.

Composition of Board

The Corporate Governance Committee prepares proposals to the Annual Meeting for the appointment of Board members.

Re-election and Renewal of Serving Non-Executive Directors

The Corporate Governance Committee periodically reviews the time commitment required of the Non-Executive Directors and makes recommendations to the Board concerning:

- Re-election by shareholders of Directors in accordance with the Code;
- Renewal of terms of office of Non-Executive Directors, based on a review of each Director's performance; and
- Any matters relating to the continuation in any office of any Director at any time.

CORPORATE GOVERNANCE REPORT CONTINUED

Board Effectiveness and Performance

The Corporate Governance Committee:

- Considers and sets the criteria for the objective and rigorous performance review of each Non-Executive Director, the Board and each Committee of the Board;
- Conducts an annual performance evaluation of the effectiveness of the Board, and of each Committee of the Board, and the contribution of each Director;
- Ensures that the recommendations and conclusions arising out of the annual effectiveness review are reported to the Board;
- Agrees on an action plan to address results of the Board effectiveness review and review progress against the plan; and
- Considers the effectiveness of each Board evaluation carried out.

Corporate Governance Review

The focus areas of the Corporate Governance Committee during the year were as follows:

- Reporting on corporate governance matters;
- Nomination;
- Succession planning;
- Remuneration & reward;
- Attracting new talent and retention of our existing resources, in the context of a dynamic employment market in Mauritius with high employee turnover in most sectors.

Company Secretary

The role and responsibilities of the company secretary are described in the Gamma Charter and are in line with the provisions of the Companies Act 2001. These include the following:

- To provide the Board with guidance as to its duties and responsibilities, and powers;
- To inform the Board of all legislations on functions and operations relevant to or affecting meetings of shareholders and directors and reporting at any meetings as may be reasonably required from time to time and the filing of any documents required of Gamma Civic Ltd and any failure to comply with such legislation;
- To ensure that minutes of all meetings of shareholders and Directors are duly recorded and that all statutory registers are properly maintained;
- To certify that the company's annual financial statements have been filed with the Registrar of Companies as required under the Companies Act 2001; and
- To ensure that a copy of the company's annual financial statements and, where applicable, the annual reports are sent by email or post to every person entitled to such statements or reports in terms of the Companies Act 2001.

Gamma Corporate Services Ltd, headed by Mrs Fahmida Jeerooburkhan, is the company secretary of Gamma Civic Ltd.

PRINCIPLE 3: DIRECTORS APPOINTMENT PROCEDURES

Selection, Appointment & Re-Election of Directors

1	IDENTIFICATION & SELECTION	The Corporate Governance Committee, having knowledge of the skills required to add value to the affairs of the Board, is responsible for the identification and selection of directors.
2	RECOMMENDATION	The Corporate Governance Committee under its nomination function, is responsible for making a recommendation to the Board, which in turn would be presented to the shareholders at the Company's Annual Meeting. In the cases of casual vacancy, the Board may appoint Directors who shall hold office only until the next Annual Meeting and shall then be eligible for re-election.
3	APPOINTMENT	Upon their appointment, all Directors are provided with a letter of appointment which stipulates the terms and conditions of such appointment. The Directors are also given a Gamma Charter which serves as a reference tool for all members of the Board and are referred to the Company's constitution, the Companies Act 2001 and the Listing Rules of the Stock Exchange of Mauritius.
4	RE-ELECTION	An appointed director shall hold office only until the next following Annual Meeting of shareholders, and shall then be eligible for re-election.

Succession planning

An important responsibility of the Board of Directors is to ensure that the Company has an appropriate succession plan in place for Directors, senior management and key officers. This responsibility has been delegated to the Corporate Governance Committee under its Nomination function.

PRINCIPLE 4: DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE

Legal Duties

Directors have:

- Common law fiduciary obligations to the Company and Group to act in good faith and to the best interest of the Company;
- Obligations imposed by the Companies Act 2001, Constitution of Gamma Civic Ltd; and the Gamma Charter.

They have a duty to exercise a degree of care, skill and diligence in fulfilling of their function as Board members.

Induction

Upon appointment, Directors are issued a letter of appointment stipulating the terms and conditions of the directorship, a copy of the Company's Constitution, and the Gamma Charter.

The corporate presentation of the Company and Group is effected by the Executive Chairman and includes meetings and site visits for new Directors to get acquainted with the businesses and operations of the Group.

Continuous Professional Development

The Directors sitting on the Board are already professionals in their respective fields and they are keeping abreast of the latest development in their respective fields and in the general topics which are on businesses agenda at both local and international level, on the latest professional practices, changes and trends in the Company's and Gamma Group's business, market, economic, political, social and legal environment in general.

Board Evaluation

The Board has established an internal process for performance evaluation of the Board, Board Committees and Directors, including the Chairman of the Company. The process is managed by the Corporate Governance Committee and the Company Secretary.

With the changes in the Audit and Risk Committee and Board's composition during the year, no Board evaluation has been carried out for the year 2024. The exercise shall be carried out next year after the Directors have had the opportunity of working together and would be in a better position to carry out the self and peer evaluation.

The last exercise was carried out in 2023. It is to be noted that whenever the Board Self and Peer evaluation has been carried out, the outcome has always been very positive, demonstrating that the Directors continue to positively contribute to the Board's discussions and are fully committed to the Company, the employees and shareholders.

Remuneration Policy

The Company remains focused on its long-term philosophy as described in the Group HR Manual, which is to attract and retain leaders with the objective of delivering business priorities within a framework that is aligned with the interest of the Company.

Directors' fees paid to Non-Executive Directors are made of three components, namely retainer fees which represent an average of 30%, Board Committees attendance representing 5%, and special assignments/projects representing 65%.

Executive Directors received remuneration and benefits made of three components, namely basic salary which represents an average 47% of the remuneration, a performance bonus representing 30% of same, and the remaining 23% includes special assignment/projects.

For the period under review, remuneration and benefits received and receivable by the Directors from the Company and its subsidiaries were:

	FROM THE COMPANY	FROM THE SUBSIDIARIES
	MUR	MUR
Directors of the Company		
Executive	67,150,244	17,399,984
Non-executive	54,871,837	20,945,334
Total	122,022,081	38,345,318

IT Management Policy

Information technology ("IT") is key to the Company and the Board is responsible for IT Governance and management of IT risks, through policies, procedures and processes which are regularly updated, monitored and safeguarded by having in place the appropriate tools and software.

There is an IT Management Policy included in the Gamma Charter which provides the principles and recommended practices to achieve the future strategic goals identified and approved by the Gamma Board. However, the implementation of tactical plans remains the responsibility of senior management of each entity within the Group.

A Group IT Platform has been instituted with monthly meetings to review and implement the IT Management Policy.

The following areas are covered:

- IT Projects
- IT Procurement
- IT Systems Incidents Management and Response
- Information Security Incidents Management and Response
- Change Management
- IT Policies alignment

In 2022, the Group has pursued the implementation of the ISO/IEC 27001 standard on Information Security Management for all operating companies. Lottotech Ltd, Kolos Cement Ltd and Gamma Materials Ltd have achieved the ISO/IEC 27001 certification.

Compliance and security are of the utmost importance for the Group, and the following areas were given due consideration:

- Information security;
- Business continuity;
- Implementation and post implementation approach;
- Support for group future expansion projects.

Access Rights to information through documents and applications is provided on a need basis. Users are provided access as per the business application owner instructions. The access rights are reviewed regularly.

The Company manages the security of information through state-of-the-art information management tools. Access is provided on compliant systems to defined security rules. Information is classified and managed as per defined policies. Encryption is applied on company devices and on company data as required. The policies are explained in the IT Management Policy and in the IT Usage policy.

A Group Human Resource Management System project was initiated in 2022 to provide employees with HR services through a digital platform. The new payroll system and 2 modules of the HR management system were successfully implemented in November 2023 and year 2024 respectively, and the implementation of the remaining 2 modules of the HR management system is ongoing, with a planned completion by Q4 2025.

Directors' Interest and Dealings in the Company's Shares

As part of the Company's statutory quarterly reporting process to the Stock Exchange of Mauritius Ltd and the Financial Services Commission, the Company Secretary would request the Directors to confirm their shareholding and any dealings which they may have effected in the Company's shares, with reference to Code of Securities Transactions by Directors.

The Directors are thus fully aware of the principles of the Model of Code of Securities Transactions by Directors, as detailed in Appendix 6 of the Mauritius Stock Exchange Listing Rules.

There are no share dealings by the Directors for the period under review.

Interests' Register, Conflicts of Interest and Related Party Transaction Policy

The Directors are fully aware of the responsibility of disclosure of any conflicts of interest in accordance with the laws and the Gamma Charter.

Declaration of Conflict of Interest at each Board Meeting

The Company Secretary holds an Interest Register in which declarations are made by Directors at each Board Meeting.

The first item of the agenda for all board meetings is for directors to declare if they have any conflict on any items which the Board will address for the business of the day. All Directors would sign a duly approved declaration of interest form, which forms part of the Board's proceedings. Furthermore, Directors who are conflicted are not allowed to vote on any matter in which he or she is interested.

Any related party transaction, if existing, would also be recorded in the said register, which is available for inspection upon request made to the Company Secretary.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL

Internal Control & Risk and Compliance report

The Board has delegated to the Audit and Risk Committee, the responsibility of ensuring that the Company has a risk management framework to manage and mitigate key risks. Nevertheless, the Board is ultimately responsible for the risk management framework and the integration of risk management into opportunity identification and threat assessment.

Risk Management Framework

Effective risk management supports and strengthens our ability to deliver on our strategies and assures the continued success of our business. Our risk management framework enables us to respond to stresses and uncertainty, which are often complex and inter-connected, and gives us a foundation on which to build a performance and growth-oriented mindset across the Group. Understanding the complexities of risk enables us to pursue market opportunities by combining entrepreneurial endeavour with robust risk mitigation practices.

The Company's risk management framework, embedded across the Group, delivers a standardised system of identification, management and reporting of risk, and assures a structured, consistent dynamic approach to threats and opportunities in all our operations. It combines bottom-up risk reporting with oversight and input from Board, Audit and Risk Committee and Internal Audit. Clarity of risk ownership is a key strength across the group, supported by a robust governance structure.

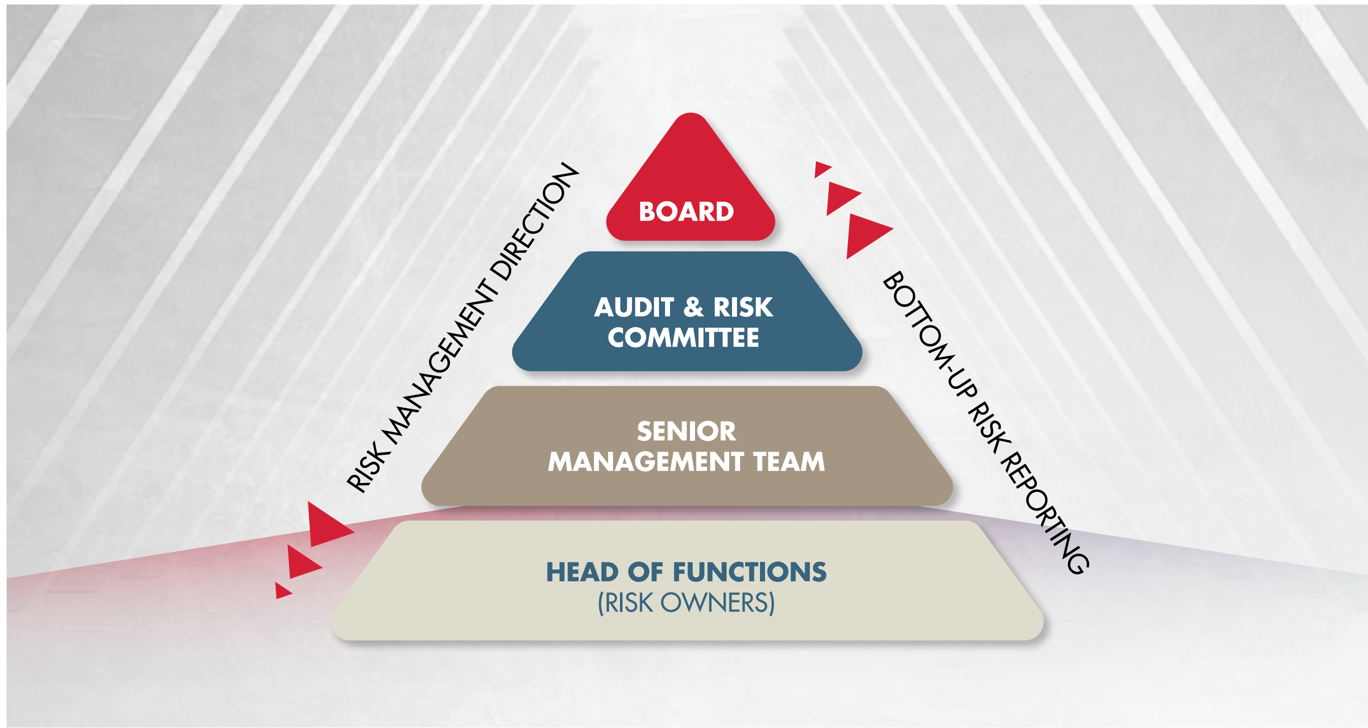
Risk Management Practices

Risk management is a key aspect of strategic planning, helping to successfully address the challenges we encounter in our strong focus on value creation. Our risk management framework enables a collective understanding of our risks, which is integrated into strategic planning processes to assure successful delivery. Our approach to integrating risk management into every aspect of our business helps our people to be resilient, our business model to be robust and our proven track record of delivery to be maintained.

The maturity of our risk structures has enabled us to integrate a wide range of perspectives on risk while driving initiatives that create value from opportunities. We leverage tools and technologies to ensure that we are a risk-intelligent Group, enabling faster and better decisions across the Group.

Gamma's Top 10 Thematic Risks Embedded with our Strategy

Embedding risk management into our business processes, at all levels in the Group, creates an environment where Management takes a disciplined and focused approach to risk. Integration with strategy and performance agendas ensures a robust and effective risk environment, assisting in optimising the performance of the Company's and Group's businesses. The Company's risk appetite includes the following risks headings in order to define the key risk parameters within which strategic decision-making takes place and assisting with the Company's goals of disciplined and focused growth.



- **Market risk**

Management identifies and measures the risks arising from changes in the markets in which Gamma operates in, to ensure that the measures being taken are consistent with the strategies of the Group.

- **Reputational risk**

The risk of reputational damage to the Company's image resulting from negative perception and the information surrounding the industry in which the Company operates could adversely affect the business.

- **Funding/liquidity risk**

It is the current and prospective risk to earnings or net worth that arises if the Company encounters challenges in meeting its financial obligations.

- **Credit risk**

This risk arises from the possibility that a counterparty may fail to meet terms of any contract, resulting in financial loss to the Company.

- **Business continuity risk**

The risk relates to potential events that can disrupt or halt the Company's operations. These risks can be internal, such as system failures or human error, or external, such as natural disasters or cyberattacks to the business's information systems and information technology.

- **Human capital risk**

The human capital risk relates to employee behaviours which may impact the Company's operations when the human resources fail to meet operational, business resiliency and continuity goals. This also includes managing the unavailability of skilled labour in the market.

- **Information security risk**

Information security risk management is the process of managing risks associated with the use of information technology. It involves identifying, assessing, and treating risks to the confidentiality, integrity, and availability of an organization's assets.

- **Investment risk**

Gamma Civic Ltd, as an investment company identifies all potential risks associated to any new investment/project and design strategies to mitigate such risks.

- **Sustainability risk**

Sustainability risk management is a business strategy to align the profit goals with the Company's environmental, social and governance policies.

- **Regulatory & compliance risk**

This risk refers to losses which may occur should the Company not comply with relevant laws and regulations.

The identified risks are registered, rated and continuously monitored to ensure that a comprehensive and robust system of risk management is implemented. It also ensures that a sound internal control system through procedures is in place to mitigate any of the risks related to the Company's businesses.

Whistleblowing Policy

The Company is committed to openness, accountability, transparency and highest standards of ethics. All employees and the Company's stakeholders are encouraged to report any incidents which they have reasonable grounds to believe may be tantamount to an illegal act, cause harm and impact the reputation of the Company.

PRINCIPLE 6: REPORTING WITH INTEGRITY

Financial and Operational Performance

The Company's financial and operational performance is detailed in the Directors' Report.

Environment, Health & Safety

The Company continues to be committed to providing all employees of the Group with a safe and healthy working environment in line with the Occupational Safety and Health Act 2005 and other applicable legislative and regulatory frameworks.

Through its Health and Safety officers employed by the different Group companies, Gamma Civic Ltd ensures that the Group fulfils its legal obligations as an employer towards its employees. At the same time, the employees are informed of their responsibility as regards to safety and health, through continuous training and awareness on a safe working environment.

The Company has an Environmental Policy as contained in the Gamma Charter.

Extract of Gamma Charter

Gamma's policy is to:

- Wholly support and comply with or exceed the requirements of current environmental legislation and codes of practice.
- Minimise waste and then reuse or recycle as much of it as possible.
- Minimise energy and water usage in our buildings, vehicles and processes in order to conserve supplies, and minimise our consumption of natural resources, especially where they are non-renewable.
- Operate and maintain company vehicles (where appropriate) with due regard to environmental issues as far as reasonably practical and encourage the use of alternative means of transport and car sharing as appropriate.
- Apply the principles of continuous improvement in respect of air, water, noise and light pollution from our premises and reduce any impacts from our operations on the environment and local community.
- As far as possible purchase products and services that do the least damage to the environment and encourage others to do the same.
- Assess the environmental impact of any new processes or products we intend to introduce in advance.

Code of Conduct

The Company applies the Gamma Charter, which includes a Code of Conduct.

The Code of Conduct is based on the fundamental belief that business should be conducted in all honesty, fairness, ethical manner and legally. This commitment is endorsed by the Board and all employees, sharing the commitment to high moral, ethical and legal standards.

The Code of Conduct clearly sets out the Company's approach to:

- Conflicts of interest
- Dealings with suppliers
- Dealings with customers and potential customers
- Dealings with public officials
- Political activities and contributions
- Integrity of records and financial reports
- Proprietary information
- Discrimination and harassment

The Company does not tolerate any form of corruption and bribery. All directors, officers and employees of the Company and the Group must fully adhere to and comply with all applicable anti-bribery and anti-corruption laws.

The Gamma Group seeks to build and manage a sound relationship with governmental authorities on an arm's length basis and will not offer, pay, solicit or accept bribes in any form or shape in its dealings with the government, administration or the courts. The Company makes political donations at the time of general elections, in line with the provisions of the National Code of Corporate Governance (Charitable and Political Contributions) and the recommendations of the independent association Business Mauritius, with a view to further the Mauritius' democratic process, without expecting any reward in return and make full disclosure on the subject matter.

Corporate Social Responsibility ("CSR")

The Company and Group remain committed to being a responsible corporate citizen. All CSR activities are further detailed in the "Sustainability" section of the annual report.

PRINCIPLE 7: AUDIT

Directors' Responsibility

Directors are duly informed of their duties and responsibilities as provided under the Companies Act 2001, and their responsibility under the Listing Rules.

They are also conversant with the provisions of the Company's constitution and the Gamma Charter.

External Audit

The appointment of the Company's external auditors remains a reserved right of the shareholders, with a recommendation of the Board. Deloitte, the Company's external auditor for the year under review, was first appointed in June 2023 and reappointed in June 2024 at the Annual Meeting of Shareholders, to hold office until the conclusion of the next Annual Meeting of Shareholders.

The Board has delegated to the Audit and Risk Committee the responsibility of reviewing the auditors' letter of engagement before the start of the audit work. The Committee will also monitor the independence of the external auditor and ensure that the auditors are not hindered in any manner whatsoever in the performance of their function.

The external auditors have direct access to the Audit and Risk Committee members and attend the Committee meetings. Once a year, the external auditors also meet with the Board to report on the external audit exercise and present their report to the Board.

Internal Audit

The internal audit function has been outsourced to KPMG, following a tender exercise. KPMG operates on a risk-based three-year internal audit plan, under the supervision of the Audit and Risk Committee.

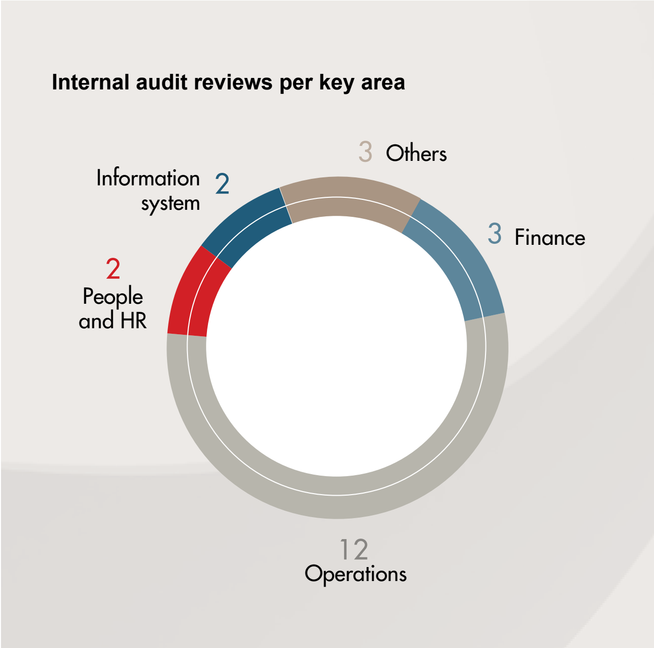
The duties of the internal audit are defined in the Gamma Charter and among others include the examination and evaluation of the adequacy and effectiveness of the Company's governance, risk management process, system of internal control structure, and the quality of performance in carrying out assigned responsibilities, in view of eliminating or reducing risks identified to an acceptable level, and the formulation of necessary recommendations.

The key areas to be covered by the internal audit function have been identified following an enterprise-wide risk assessment. The risk assessment is reviewed annually based on prior years results, overall group strategy and emerging risks affecting the business activities of the group. The annual internal audit plan is discussed at each Audit and Risk Committee.

The Internal Audit Plan for the financial year ended 31 December 2024 focused on key financial and operational processes across the main subsidiaries of the Group.

CORPORATE GOVERNANCE REPORT CONTINUED

As per the approved internal audit plan, 22 internal audit reviews were carried out in 2024 as shown in the diagrammatic representations below.



The internal audit function maintains its independence and objectivity to allow for the effective performance of its duties. The direct reporting line is to the Chairman of the Audit and Risk Committee, and the internal audit function may also be called upon by the Chairman of the Board to report to it on specific matters.

PRINCIPLE 8: RELATIONSHIP WITH SHAREHOLDERS AND KEY STAKEHOLDERS

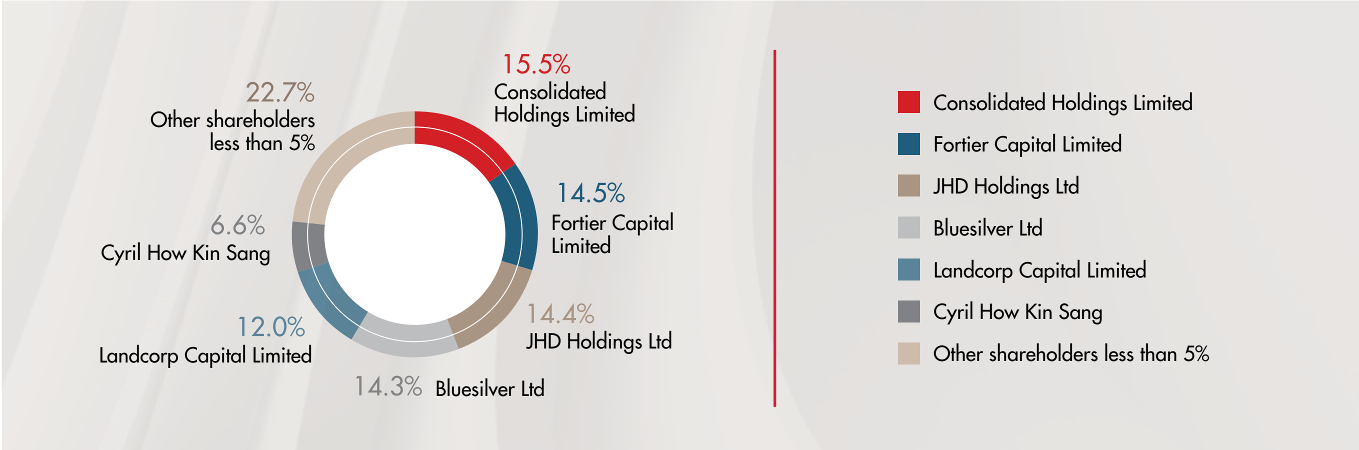
Communication with Key Stakeholders

The Board of Directors is committed to having an open and transparent communication with its shareholders, local authorities, financial institutions, suppliers, investors and employees at all times. It normally communicates through its Annual Report, as well as through announcements as provided under the Listing Rules, whenever applicable, through its statutory reporting and publications.

The Company also uses its website to communicate with its shareholders and stakeholders. All communiqués, dividend announcements, abridged financial statements and the annual reports issued by the Company are posted on the Company's website.

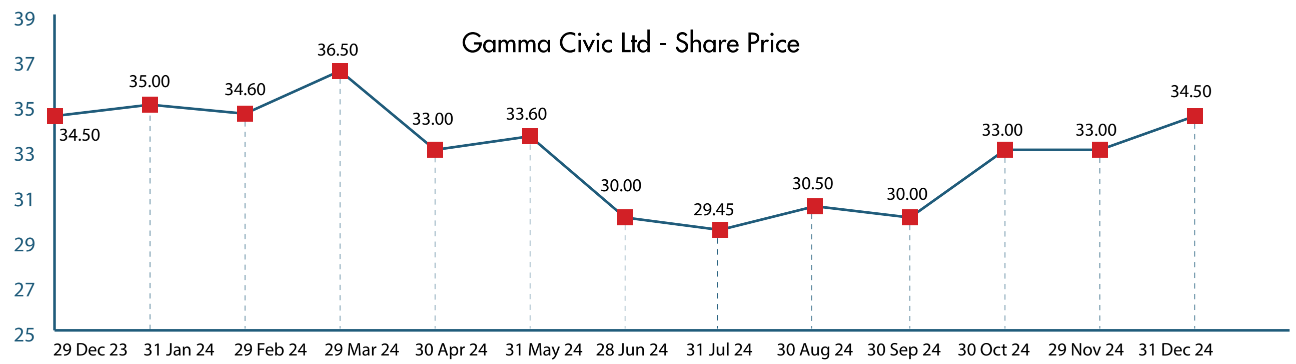
Shareholders holding more than 5% as at 31 December 2024

The composition of the Company's shareholding is as follows:



No individuals or entities held more than 25% of Gamma Civic Ltd as at 31 December 2024.

SHARE PRICE GRAPH



Shares in Public Hands

In line with the Listing Rules, the Company has more than 25% of its shareholding in public hand.

Annual Meeting of Shareholders

The Company's statutory annual meeting for the shareholders to approve the audited financial statements will be held in June 2025 and the notice will be sent to the shareholders accordingly.

Dividend Policy

According to the Gamma Charter, the Company aims at distributing a dividend which is equivalent to a 3% dividend yield, subject to meeting the requirements of the Solvency Test, and as a rule for each financial year the Company declares and pays an interim and a final dividend.

Tommy Ah Teck
Executive Chairman

Maurice Lam
Independent Non-Executive Director

24 March 2025

STATEMENT OF COMPLIANCE

(Pursuant to Section 75 (3) of the Financial Reporting Act 2004)

Name of Public Interest Entity ("PIE"): Gamma Civic Ltd

Reporting Period: 31 December 2024

We, the Directors of Gamma Civic Ltd confirm that to the best of our knowledge Gamma Civic Ltd has complied with all of its obligations and requirements under the National Code of Corporate Governance for Mauritius (2016), in all material respect.

Tommy Ah Teck
Executive Chairman

Maurice Lam
Independent Non-Executive Director

24 March 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

in respect of the preparation of financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") for each financial year, which present fairly the financial position, financial performance and cash flows of the Company and the Group.

The Directors confirm that, in preparing the financial statements, they have to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state that IFRS Accounting Standards have been adhered to, subject to any material departures being disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company and the Group will continue in business; and
- ensure compliance with the Code of Corporate Governance ("Code") and provide reasons in case of non-compliance with the Code.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and the Group to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001, IFRS Accounting Standards as issued by the IASB and the Financial Reporting Act 2004.

They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors hereby confirm that they have complied with the above requirements.

Approved by the Board of Directors on 24 March 2025 and signed on its behalf by

Twalha Dhunnoo
Executive Director &
Deputy CEO/CIO

Christian Wiklund
Independent Non-Executive Director

SECRETARY'S CERTIFICATE

(Pursuant to Section 166(d) of the Mauritius Companies Act 2001)

We certify that, to the best of our knowledge and belief, Gamma Civic Ltd has filed with the Registrar of Companies all such returns as are required of the Company under the Mauritius Companies Act 2001 in terms of Section 166(d).

Gamma Corporate Services Ltd

Company Secretary

24 March 2025

DIRECTORS' REPORT

The directors are pleased to submit their report together with the audited financial statements of Gamma Civic Ltd ("the Company") and the Group (together the "Gamma Group") for the year ended 31 December 2024.

MAIN INVESTMENTS

Gamma Civic Ltd is a listed investment holding company. Its main objectives are to safeguard and enhance its shareholders' wealth, deliver an acceptable level of return to shareholders and to continue to build a sustainable platform for growth and profitability.

Gamma has investments in different sectors and the principal ones are:

- Contracting;
- Building Materials;
- Lottery & Gaming Technology;
- Hospitality;
- Real Estate; and
- Financial Services.

The operations within the sectors mentioned above as carried out by different companies which are subsidiaries, associates and joint ventures of Gamma Civic Ltd.

Contracting

Gamma Construction Ltd, a wholly-owned subsidiary, is involved in asphalt production, asphalt and road works and building and civil engineering contracting works both in the private and public sectors.

Building Materials

Gamma Materials Ltd, a jointly controlled company, supplies building materials including aggregates, sand and blocks to the construction industry.

Kolos Cement Ltd, a subsidiary, trades in, distributes cement and is engaged in retail sale of cement to hardware stores. It is listed on the Development & Enterprise Market of the Stock Exchange of Mauritius Ltd ("SEM").

Alpha Ciment SA, a Malagasy jointly controlled company, is engaged in (a) the production, purchase, and sale of cement and its derivatives, (b) the extraction, exploitation and processing of limestones into cement.

Lottery & Gaming Technology

Lottotech Ltd, a subsidiary, operates, under licence, the Mauritius National Lottery and Loterie Vert. It is listed on the Official List of the SEM.

Pool Joseph Merven Limited, a subsidiary of Lottotech Ltd, holds a license to operate as agent of foreign pool promoter, currently, The Football Pools Ltd, a sports betting operator in the United Kingdom.

LudWin Group SAS, a foreign joint-venture entity, provides software and technology to lottery operators.

Hospitality

Morning Light Co. Ltd, an associate company, operates in the hotel industry through Hilton Mauritius Resort & Spa and is listed on the Development & Enterprise Market of the SEM.

Real Estate

BR Capital Ltd owns a seven-storey office building in Ebène known as Burford House.

The Group also owns several property assets, including freehold and leasehold land.

Financial Services

Jasiri Investment Ltd, an associate company, is engaged, through its subsidiaries, in the financial services industry.

Gamma Treasury Management Limited (GTML) is a wholly-owned subsidiary of Gamma Civic Ltd which is engaged in treasury management to the Group companies. GTML is regulated by the Financial Services Commission (FSC) of Mauritius.

RESULTS

Group Performance

Group Statement of Profit or Loss and Other Comprehensive Income

Revenue	Net Profit after Taxation
Dec 2024: MUR 8,576M	Dec 2024: MUR 549M
Dec 2023: MUR 6,697M	Dec 2023: MUR 443M

Company

Company Statement of Profit or Loss and Other Comprehensive Income

Revenue	Net Profit after Taxation
Dec 2024: MUR 782M	Dec 2024: MUR 398M
Dec 2023: MUR 503M	Dec 2023: MUR 234M

Business Review

For the year ended 31 December 2024, the Group and the Company reported net profit after taxation of MUR 549M and MUR 398M respectively.

More details on the business review are included in the Executive Chairman' Statement.

Outlook

More details on the outlook are included in the Executive Chairman' Statement.

Dividend

A final dividend of MUR 1.50 per share (2023: MUR 1.75 per share) was declared on 28 March 2024 and was paid in May 2024 in respect of the financial year ended 31 December 2023.

An interim dividend of MUR 0.50 per share (2023: MUR 0.50 per share) was declared on 31 July 2024 and was paid in September 2024 in respect of the financial year ended 31 December 2024.

On behalf of the Board of Directors.

Twalha Dhunnoo
Executive Director & Deputy CEO/CIO

Jason Ah Teck
Executive Director

24 March 2025

OTHER STATUTORY DISCLOSURES

(Pursuant to Section 221 of the Companies Act 2001 and Section 88 of the Securities Act 2005)

Principal Activities

Gamma Civic Ltd is an investment holding company with a diverse portfolio across different industries in Mauritius and Africa.

Directors' and Senior Officers' Interests in Shares

Statement of Direct and Indirect Interest of insiders as at 31 December 2024:

	NO. OF SHARES	
Names of Directors	**Direct**	**Indirect**
Boon Hui Chan	–	–
Christian Wiklund	–	–
Jason Ah Teck	4,500	181,150
Jean-Claude Lam Hung	30,800	–
Marie Claire Chong Ah-Yan	1,980,830	3,978,217
Maurice Lam Pak Ng	–	–
Patrice Ah Teck	250,000	22,925,777
Tommy Ah Teck	–	23,175,777
Twalha Dhunnoo	–	–

Directors' Remuneration and Benefits

The split of the aggregate remuneration and benefits received and receivable by the Directors of the Company from the Company and its subsidiaries as disclosed in the Corporate Governance Report is as follows: Mr Tommy Ah Teck (22%), Mr Jason Ah Teck (20%), Mr Twalha Dhunnoo (11%), Mr Patrice Ah Teck (20%), Mr Boon Hui Chan (2%), Mr Marie-Claire Chong Ah-Yan (18%), Mr Paul Halpin (2%), Mr Jean-Claude Lam Hung (1%), Mr Christian Wiklund (2%) and Mr Maurice Lam Pak Ng (2%).

Directors' service contracts

None of the Directors of the Company have service contracts with the Company.

Contract of Significance

The Company has no contract of significance with either a Director or a controlling shareholder.

Directors' Insurance

The Directors of Gamma Civic Ltd are insured under the Gamma Civic Ltd master policy directors and officer's liability insurance.

Donations

The Company remains committed to CSR through the Gamma Foundation. For the year 2024, the Group and the Company made donations over and above the statutory CSR.

	GROUP	COMPANY
	MUR	**MUR**
Political	8,000,000	2,000,000
Others	23,450	–

Auditors' remuneration

The remuneration payable by the Company and its subsidiaries for audit and non-audit services for the financial year ended 31 December 2024 was as follows:

	COMPANY	SUBSIDIARY
	MUR	**MUR**
Audit Services		
Principal auditors:		
• Gamma Civic Ltd	2,991,500	–
• Gamma Cement Ltd	–	172,500
• Gamma Construction Ltd	–	1,617,000
• Gamma treasury Management Ltd	–	132,000
• Kolos Cement Ltd	–	1,600,500
• Kolos International Ltd	–	653,588
• Lottotech Ltd	–	1,891,175
• Pool Joseph Merven Ltd	–	208,725
• Westview Realty Ltd	–	300,000
	–	–
Non-Audit Services		
Principal auditors	–	–

Deloitte are the principal auditors of the Group and Company.

Twalha Dhunnoo
Executive Director & Deputy CEO/CIO

Jason Ah Teck
Executive Director

24 March 2025

LIST OF DIRECTORS OF SUBSIDIARIES

as at 31 December 2024

		Tommy Ah Teck	Patrice Ah Teck	Marie Claire Chong Ah Yan	Maurice Lam Pak Ng	Michelle Carinci	Allagappen Veeramootoo	Shailesh Beejhadarsing	Dominique Billon	Javier De Benito	Fahmida Jeerooburkhan	Twalha Dhunnoo	Kune Foo Jean-Claude Lam Hung	Jacqueline Sitorus	Vivekanada Reddy Challa	Jason Ah Teck	Yive Men Leu San	Cheeneebash Ganeshanlall	Carlo Jean Schreurs	Catherine Marguerite Halpin	Jacques Paul Rene De Chasteigner Du Mee	Gopalla Gajanand	Cyril How Kin Sang
1	A.S. Burstein Management Ltd		O	O																			
2	Accacias Co Ltd	O	O	O																			
3	Bitumen Storage Ltd	O	O	O																			
4	Boron Investments Ltd	O	O	O																			
5	BR Capital Ltd	O	O	O																			
6	BR Hotel Resorts Ltd	O	O	O																			
7	Burford Development Ltd	O	O	O								O											
8	Burford Investments Ltd	O	O	O																			
9	Burford Property Ltd	O	O	O																			
10	Burford Realty Ltd	O	O	O																			
11	Cement Logistics Ltd	O																				O	
12	Centreview Development Ltd	O	O	O																			
13	Checksa Loyalty Ltd	O														O							
14	CIMAD Holdings Ltd	O																					
15	Fortune Games Pte. Ltd	O																					
16	Gamma Asia Construction Ltd	O		O																			
17	Gamma Capital Ltd	O	O	O								O											
18	Gamma Cement Ltd	O	O		O							O											
19	Gamma Civic Construction Holdings Ltd		O	O																			
20	Gamma Construction Ltd	O	O	O				O				O				O			O				
21	Gamma Corporate Services Ltd	O									O												
22	Gamma Energy Holdings Ltd	O	O	O																			
23	Gamma Energy Ltd	O	O	O																			
24	Gamma International Management Pte. Ltd	O														O							
25	Gamma Land Ltd	O	O	O																			
26	Gamma Leisure Ltd	O	O	O																			
27	Gamma Treasury Management Limited				O							O				O	O						
28	Gamma-Civic Construction Ltd	O	O	O																			
29	Gamma-Civic Hotel Holdings Ltd	O	O	O																			
30	Gammafin Resource Management Ltd	O	O									O				O							
31	GammaTech Ltd	O														O							
32	Glot Holdings (Mauritius) Ltd	O	O	O																			
33	Glot Management Ltd	O	O	O																			
34	Govenland Co Ltd	O	O	O																			
35	GreenSparrow International Ltd	O																					
36	Infina Investment Ltd	O	O									O				O							
37	Insignia Leisure Resorts Ltd	O	O	O																			
38	Kolos Building Materials Ltd	O																				O	
39	Kolos Cement Ltd	O	O	O						O		O		O	O	O						O	
40	Kolos International Ltd	O	O	O						O		O		O	O	O							
41	Kolos Madagascar			O					O							O							
42	Loterie Vert Ltd					O	O									O							
43	Lottotech Ltd	O	O	O		O	O									O		O		O	O		
44	Ludgate Investments Ltd	O	O	O																			
45	Maurilot Investments Ltd	O	O	O																			
46	Natlot Investments Ltd	O	O	O																			
47	Osterley Investments Ltd	O	O	O																			
48	Pool Joseph Merven Ltd					O	O									O							
49	Princegate Holdings Ltd	O	O	O																			
50	RedCircle Investment Ltd	O									O												
51	Regency Realty Ltd	O	O																				O
52	RHT Media Ltd	O	O	O																			
53	Star Cement Ltd	O																				O	
54	Trailblaze Capital Ltd	O																					
55	Traxx Ltd	O	O																				
56	Westbourne Properties Ltd	O	O	O																			
57	Westview Realty Ltd	O		O																			

06 Financial Statements

SUMMARY OF PUBLISHED RESULTS AND ASSETS AND LIABILITIES OF THE GROUP

(a) Results

	2024 MUR	2023 MUR	2022 MUR
Revenue	8,576,158,147	6,696,920,258	5,552,968,964
Operating Profit	381,198,925	323,247,279	346,953,121
Net impairment (Charge)/Reversal on Financial and Contract Assets	(648,209)	67,317,634	(51,259,057)
Fair Value Gain on Investment Properties	30,435,586	2,119,860	126,076,823
Finance Costs	(109,385,965)	(134,632,417)	(102,824,615)
Share of Profits of Associates and Joint Ventures	169,957,617	259,084,682	225,816,734
Profit on Disposal of Subsidiary	176,368,304	–	–
Profit before Taxation	647,926,258	517,137,038	544,763,006
Taxation	(99,170,070)	(74,215,202)	(63,978,309)
Profit for the year	548,756,188	442,921,836	480,784,697
Profit attributable to:			
- Owners of the company	421,910,368	378,569,554	412,623,311
- Non-controlling interests	126,845,820	64,352,282	68,161,386
	548,756,188	442,921,836	480,784,697
Total comprehensive income attributable to:			
- Owners of the company	417,215,186	443,351,106	434,277,689
- Non-controlling interests	123,547,573	70,951,288	79,223,148
	540,762,759	514,302,394	513,500,837
Earnings per share (basic and diluted)	3.17	2.84	3.10

(b) Assets and liabilities

	2024 MUR	2023 MUR	2022 MUR
ASSETS			
Non-current assets	5,804,241,162	5,517,920,250	5,156,446,931
Current assets	3,204,079,937	3,103,678,786	2,689,367,837
Total assets	9,008,321,099	8,621,599,036	7,845,814,768
EQUITY AND LIABILITIES			
Owners' interests	3,967,624,748	3,812,891,742	3,689,448,767
Non-controlling interests	212,631,664	183,033,605	182,739,198
Total equity	4,180,256,412	3,995,925,347	3,872,187,965
Non-current liabilities	1,835,908,194	1,810,612,204	1,919,390,156
Current liabilities	2,992,156,493	2,815,061,485	2,054,236,647
Total equity and liabilities	9,008,321,099	8,621,599,036	7,845,814,768

INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated and separate financial statements of Gamma Civic Ltd (the "Company" and the "Public Interest Entity") and its subsidiaries (the "Group") set out on pages 88 to 165, which comprise the consolidated and separate statements of financial position as at 31 December 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2024, and of their consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
Recognition of contract revenue, margin, and related contract assets and receivables	
The construction industry is characterised by contract risk with significant judgments involved in the assessment of both current and future contractual performance. Revenue and margin are recognised using the output method namely surveys of performance completed to date of individual contracts. The status of contracts is updated on a regular basis through cost meetings. During this process, management is required to exercise significant judgement in their assessment of the valuation of contract variations; the completeness and accuracy of forecasts costs to complete; and the ability to deliver contracts within forecasted timelines. Dependent on the level of judgement in each, the range on each contract can be individually material. In addition, changes in these judgements, and the related estimates, as contracts progress can result in material adjustments to revenue and margin, which can be both positive and negative.	We performed the following procedures: • Assessed the design of key controls over the reconciliation of contract revenue process. Such controls were tested to determine their operating effectiveness. • Attended and observed a sample of cost meetings and inspected the respective minutes forming a key part of the entity's risk process. • Selected a sample of contracts and challenged both current and future financial performances. Samples were selected based on a number of quantitative factors, and at random. For sampled contracts, we challenged management's key judgements inherent in the forecasting of costs to completion that drives the accounting based on the value of work certified. This included: • reviewing of the contract terms and conditions by reference to contract documentation. • testing the existence and valuation of claims and variations both within contract revenue and contract costs via inspection of correspondence with customers' independent surveyors. • discussing with project managers, quantity surveyors and finance team to understand the progress to-date, any issues foreseen on those contracts and estimated efforts to satisfy the performance obligations under the contracts and corroboration of these discussions with the accrued costs computed by the management for each contract. • assessing the ability to deliver contracts within budgeted timescales and any exposures to liquidated damages for late delivery of contract works; and the ability to identify and determine foreseeable loses on contracts. • reviewing certification from clients' quantity surveyors.

Key Audit Matter	How our audit addressed the key audit matter
Recognition of contract revenue, margin, and related contract assets and receivables (continued)	
	• performing multiple site visits to corroborate findings as per the cost meetings and minutes of contracts. • reviewing significant deviations from original revenue, cost and margin estimates, obtaining appropriate explanation from management for such deviations and evaluation of the impact on the revenue recognition. • scrutinising contracts which were closed during the year to consider their profitability and to compare with previous forecasts of those same contracts in order to assess management's ability to estimate cost of completion.
Recoverability of long-term receivable from related company	
The Group has recognised a long-term receivable from a related company amounting to Rs 165,915,652 as at 31 December 2024 and included in Note 31. As per the requirements of IFRS 9, the Group should assess recoverability of the long-term receivable from related company. Management has made this assessment based on the discounted cash flow of the related company. The preparation of the discounted cash flow requires significant judgements and assumptions. Due to the significance of the balance involved and the nature of the judgements and assumptions made by management in the forecasts, recoverability of the long-term receivable is considered as a key audit matter.	Our procedures included the following: • Analysed the future projected cash flows used in the model to determine whether they are reasonable and supportable. • Challenged management with the key assumptions in the forecasts and the discount rate being used. • Used our internal experts to independently assess the reasonableness of the assumptions used by management including determination of the discount rate. • Performed sensitivity test on significant inputs to assess the range of acceptable results. • Assessed whether the disclosures made in the financial statements are as per the requirements of IFRS Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the Corporate Governance Report, Statement of Compliance, Statement of Directors' Responsibilities, Secretary's Certificate, Directors' Report and Other Statutory Disclosures which we obtained prior to the date of this auditor's report. It also includes other reports to be included in the Annual Report which are expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and in compliance with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004 and they are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Group's and the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT CONTINUED

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe those matters in our auditor's report unless laws or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Mauritius Companies Act 2001

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interest in, the Company and its subsidiaries other than in our capacity as auditor;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Financial Reporting Act 2004 - Corporate Governance Report

Our responsibility under the Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Public Interest Entity has, pursuant to section 75 of the Financial Reporting Act 2004, complied with the requirements of the Code.

Use of this report

This report is made solely to the Company's shareholders, as a body, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte	**R. Srinivasa Sankar, FCA**
Chartered Accountants	*Licensed by FRC*

27 March 2025

STATEMENTS OF FINANCIAL POSITION

at 31 December 2024

	Notes	GROUP 2024 MUR	GROUP 2023 MUR	COMPANY 2024 MUR	COMPANY 2023 MUR
ASSETS					
NON-CURRENT ASSETS					
Property, Plant and Equipment	5	1,610,374,393	1,568,058,085	370,216,806	365,547,852
Intangible Assets	6	900,285,148	921,379,070	200,343	434,217
Investments in Subsidiaries	7	–	–	1,714,747,995	1,640,775,280
Investments in Associates and Joint Ventures	8	1,410,929,831	1,346,375,008	497,420,922	306,596,174
Investment Properties	9	1,611,748,872	1,493,868,021	–	–
Other Financial Assets	10(c)	–	124,031,000	–	124,031,000
Deferred Tax Assets	17(b)	32,540,715	51,186,329	–	–
Contract Assets	12	59,622,331	6,084,279	–	–
Non-Current Receivables	31	178,739,872	6,938,458	490,114	490,114
		5,804,241,162	5,517,920,250	2,583,076,180	2,437,874,637
CURRENT ASSETS					
Inventories	11	383,507,652	479,006,181	–	–
Contract Assets	12	940,972,186	508,427,190	–	–
Trade and Other Receivables	12(a)	782,551,276	820,459,456	43,908,049	39,475,703
Amounts due from Subsidiaries	28(d)(i)	–	–	187,342,824	268,375,070
Other Financial Assets	10(c)	87,603,036	–	–	–
Current Tax Assets	17(a)(iii)	3,265,341	1,778,848	–	248,116
Cash at Bank, in Hand and Short Term Deposits	26	1,006,180,446	1,294,007,111	462,388,067	573,797,446
		3,204,079,937	3,103,678,786	693,638,940	881,896,335
TOTAL ASSETS		9,008,321,099	8,621,599,036	3,276,715,120	3,319,770,972
EQUITY AND LIABILITIES					
CAPITAL AND RESERVES					
Share Capital	13	133,250,000	133,250,000	133,250,000	133,250,000
Share Premium		86,482,579	86,482,579	86,482,579	86,482,579
Other Reserves		3,747,892,169	3,593,159,163	1,495,971,372	1,359,436,165
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		3,967,624,748	3,812,891,742	1,715,703,951	1,579,168,744
NON-CONTROLLING INTERESTS	7(d)	212,631,664	183,033,605	–	–
TOTAL EQUITY		4,180,256,412	3,995,925,347	1,715,703,951	1,579,168,744
NON-CURRENT LIABILITIES					
Borrowings	14	1,144,362,480	1,237,978,902	1,073,488,645	1,154,337,980
Trade and other payables	19	114,951,061	70,048,621	–	–
Contract Liabilities	19(a)	72,402,647	64,927,305	–	–
Lease Liabilities	15	246,737,074	221,024,031	7,222,844	13,415,032
Retirement Benefit Obligations	16(c)	152,011,470	117,672,027	21,917,000	17,364,000
Deferred Tax Liabilities	17(b)	105,443,462	98,961,318	5,720,000	8,005,000
		1,835,908,194	1,810,612,204	1,108,348,489	1,193,122,012
CURRENT LIABILITIES					
Bank Overdrafts	18/26	426,431,971	402,568,186	99,924,114	–
Borrowings	14	265,585,142	164,440,401	82,838,138	82,529,237
Lease Liabilities	15	40,914,390	45,331,979	6,823,651	6,157,195
Trade and Other Payables	19	1,652,940,061	1,316,467,243	140,206,398	140,581,407
Contract Liabilities	19(a)	556,326,779	852,297,893	–	–
Amounts due to Subsidiaries	28(d)(ii)	–	–	117,655,116	318,212,377
Current Tax Liabilities	17(a)(iii)	49,958,150	33,955,783	5,215,263	–
		2,992,156,493	2,815,061,485	452,662,680	547,480,216
TOTAL LIABILITIES		4,828,064,687	4,625,673,689	1,561,011,169	1,740,602,228
TOTAL EQUITY AND LIABILITIES		9,008,321,099	8,621,599,036	3,276,715,120	3,319,770,972

Approved by the Board of Directors and signed on its behalf on 24 March 2025.

Twalha Dhunnoo
Executive Director & Deputy CEO/CIO

Christian Wiklund
Independent Non-Executive Director

The notes on pages 95 to 165 form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2024

	Notes	GROUP 2024 MUR	GROUP 2023 MUR	COMPANY 2024 MUR	COMPANY 2023 MUR
REVENUE	20	8,576,158,147	6,696,920,258	781,934,701	503,475,320
Operating Profit	21	381,198,925	323,247,279	480,760,786	318,894,687
Net Impairment (Charge)/Reversal on Financial and Contract Assets	12	(648,209)	67,317,634	–	–
Net Fair Value Gain on Investment Properties	9	30,435,586	2,119,860	–	–
Finance Costs	22	(109,385,965)	(134,632,417)	(71,421,644)	(73,012,027)
Share of Profits of Associates and Joint Ventures	8(a)	169,957,617	259,084,682	–	–
Profit on Disposal of Subsidiary	33	176,368,304	–	–	–
Profit before Taxation		647,926,258	517,137,038	409,339,142	245,882,660
Taxation	17(a)(ii)	(99,170,070)	(74,215,202)	(11,594,290)	(11,702,301)
PROFIT FOR THE YEAR		548,756,188	442,921,836	397,744,852	234,180,359
OTHER COMPREHENSIVE INCOME					
Items that will not be classified subsequently to Profit or Loss:					
Gain on Revaluation of Property	5(c)	23,464,577	48,199,578	5,498,414	17,931,960
Deferred Tax on Gain on Revaluation of Property	17(b)	(1,961,198)	(5,932,928)	1,372,250	(787,433)
Share of Gain on Property Revaluation of Associates and Joint Ventures	8(a)	2,989,255	49,082,708	–	–
Remeasurement of Actuarial Loss on Retirement Benefit Obligations	16(g)	(22,226,370)	(27,265,402)	(1,951,000)	(578,000)
Deferred Tax on Remeasurement of Retirement Benefit Obligations	17(b)	5,532,954	4,614,888	370,690	98,260
Share of Remeasurement of Actuarial Loss on Retirement Benefit Obligations in Associates & Joint Ventures, net of Deferred Tax	8(a)	(3,818,546)	(217,736)	–	–
Items that may be reclassified subsequently to Profit or Loss:					
Foreign Currency Translation Reserve Movement		(11,974,101)	2,899,450	–	–
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		(7,993,429)	71,380,558	5,290,354	16,664,787
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		540,762,759	514,302,394	403,035,206	250,845,146
PROFIT ATTRIBUTABLE TO:					
Owners of the Company		421,910,368	378,569,554	397,744,852	234,180,359
Non-Controlling Interests		126,845,820	64,352,282	–	–
		548,756,188	442,921,836	397,744,852	234,180,359
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of the Company		417,215,186	443,351,106	403,035,206	250,845,146
Non-Controlling Interests		123,547,573	70,951,288	–	–
		540,762,759	514,302,394	403,035,206	250,845,146
EARNINGS PER SHARE (Basic and Diluted)	24	3.17	2.84		

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 December 2024

GROUP

	Share Capital MUR	Share Premium MUR	Revaluation Reserve MUR	Foreign Currency Translation Reserve MUR	Retained Earnings MUR	Attributable to Owners of the Parent MUR	Non-Controlling Interests MUR	Total MUR
Balance at 1 January 2023	133,250,000	86,482,579	456,791,955	59,709,968	2,953,214,265	3,689,448,767	182,739,198	3,872,187,965
Revaluation Surplus of Associate Realised on Depreciation of Property	–	–	(4,111,205)	–	4,111,205	–	–	–
Revaluation Surplus Realised on Depreciation of Property	–	–	(10,523,319)	–	10,523,319	–	–	–
Profit for the Year	–	–	–	–	378,569,554	378,569,554	64,352,282	442,921,836
Other Comprehensive Income for the Year	–	–	84,817,605	6,451,931	(26,487,984)	64,781,552	6,599,006	71,380,558
Total Comprehensive Income for the Year	–	–	84,817,605	6,451,931	352,081,570	443,351,106	70,951,288	514,302,394
Change in Ownership without Loss of Control (Note 34)	–	–	–	(939,549)	(19,156,082)	(20,095,631)	16,601,881	(3,493,750)
Dividend (Note 23)	–	–	–	–	(299,812,500)	(299,812,500)	(87,258,762)	(387,071,262)
Balance at 31 December 2023	133,250,000	86,482,579	526,975,036	65,222,350	3,000,961,777	3,812,891,742	183,033,605	3,995,925,347
Revaluation Surplus of Associate Realised on Depreciation of Property	–	–	(4,358,244)	–	4,358,244	–	–	–
Revaluation Surplus Realised on Depreciation of Property	–	–	(6,806,911)	–	6,806,911	–	–	–
Profit for the Year	–	–	–	–	421,910,368	421,910,368	126,845,820	548,756,188
Other Comprehensive Loss for the Year	–	–	20,698,274	(6,681,360)	(18,712,096)	(4,695,182)	(3,298,247)	(7,993,429)
Total Comprehensive Income for the Year	–	–	20,698,274	(6,681,360)	403,198,272	417,215,186	123,547,573	540,762,759
Disposal of Subsidiary (Note 33)	–	–	–	(5,054,322)	9,072,142	4,017,820	1,441,175	5,458,995
Dividend (Note 23)	–	–	–	–	(266,500,000)	(266,500,000)	(95,390,689)	(361,890,689)
Balance at 31 December 2024	133,250,000	86,482,579	536,508,155	53,486,668	3,157,897,346	3,967,624,748	212,631,664	4,180,256,412

The notes on pages 95 to 165 form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 December 2024

COMPANY

	Share Capital MUR	Share Premium MUR	Revaluation Reserve MUR	Retained Earnings MUR	Total MUR
Balance at 1 January 2023	133,250,000	86,482,579	289,014,668	1,119,388,851	1,628,136,098
Revaluation Surplus of Associate Realised on Depreciation of Property	–	–	(2,124,607)	2,124,607	–
Profit for the Year	–	–	–	234,180,359	234,180,359
Other Comprehensive Income for the Year	–	–	17,144,527	(479,740)	16,664,787
Total Comprehensive Income for the Year	–	–	17,144,527	233,700,619	250,846,146
Dividend (Note 23)	–	–	–	(299,812,500)	(299,812,500)
Balance at 31 December 2023	133,250,000	86,482,579	304,034,588	1,055,401,577	1,579,168,744
Revaluation Surplus Realised on Depreciation of Property	–	–	(2,588,260)	2,588,260	–
Profit for the Year	–	–	–	397,744,852	397,744,852
Other Comprehensive Income for the Year	–	–	6,909,685	(1,619,330)	5,290,355
Total Comprehensive Income for the Year	–	–	6,909,685	396,125,522	403,035,207
Dividend (Note 23)	–	–	–	(266,500,000)	(266,500,000)
Balance at 31 December 2024	133,250,000	86,482,579	308,356,013	1,187,615,359	1,715,703,951

The notes on pages 95 to 165 form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

for the year ended 31 December 2024

	Notes	GROUP 2024 MUR	GROUP 2023 MUR	COMPANY 2024 MUR	COMPANY 2023 MUR
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before Tax		647,926,258	517,137,038	409,339,142	245,882,660
Adjustments for:					
Depreciation of Property, Plant and Equipment	5	130,427,599	89,293,053	4,860,921	3,894,978
Depreciation of Right-of-Use assets	5(g)	51,042,584	59,437,978	6,240,555	4,665,189
Amortisation of Intangible Assets	6	25,658,787	20,373,230	233,874	859,828
Net Impairment Charge/(Reversal) on Financial Assets	12(a)	648,209	(67,317,634)	–	–
Net Impairment of Investments in Subsidiaries		–	–	–	4,758,667
Profit on Disposal of Subsidiary	33	(176,368,304)	–	–	–
Write Back of Payables upon Winding Up of Subsidiaries		–	–	–	(5,022,375)
Provision/(Reversal) of Provision for Slow Moving Inventories	21	11,665,295	5,875,245	–	–
Net Foreign Exchange Differences		(39,931,170)	10,959,641	(30,172,187)	(15,384,658)
Interest Expense	22	109,385,965	134,632,417	71,421,644	73,012,027
Interest Income	21	(31,756,689)	(38,917,070)	(23,977,280)	(43,109,426)
Dividend Income	20	–	–	(553,728,192)	(307,565,126)
Non-cash Element of Retirement Benefit Expense	16(f)	25,257,979	(5,144,981)	3,209,000	(1,248,000)
Loss/(Profit) on Disposal of Property, Plant and Equipment	21	103,714	(3,850)	–	–
Amortisation of Land Lease Payment	31	200,310	757,000	–	–
Intangible Assets written off		1,360,998	727,221	–	–
Net Gain from Fair Value adjustment on Investment Properties	9	(30,435,586)	(2,119,860)	–	–
Share of Profit of Associates and Joint Ventures	8(a)	(169,957,617)	(259,084,682)	–	–
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		555,228,332	466,604,746	(112,572,523)	(39,256,236)
Decrease/(Increase) in Inventories		75,093,998	(136,406,478)	–	–
(Increase)/Decrease in Non-Current Receivables, Contract Assets, and Trade and Other Receivables		(575,853,713)	(148,198,709)	(2,890,855)	25,268,506
Decrease in Amount due from Subsidiaries		–	–	81,032,246	136,870,274
Increase/(Decrease) in Contract Liabilities, and Trade and Other Payables		114,214,178	723,852,088	(2,867,469)	29,906,082
(Decrease)/Increase in Amount due to Subsidiaries		–	–	(200,557,261)	129,434,899
Funding of Retirement Benefits Obligations	16(c)	(13,144,906)	(7,934,107)	(607,000)	(430,000)
CASH GENERATED FROM OPERATIONS		155,537,889	897,917,540	(238,462,862)	281,793,525
Interest Paid		(107,397,622)	(133,722,525)	(69,433,301)	(72,102,135)
Dividend Received		298,746,903	180,739,788	553,728,192	307,565,126
Income Tax Paid	17(a)(iii)	(85,062,752)	(90,288,970)	(6,672,971)	(9,962,496)
NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES		261,824,418	854,645,833	239,159,058	507,294,020

STATEMENTS OF CASH FLOWS (CONTINUED)

for the year ended 31 December 2024

	Notes	GROUP 2024 MUR	GROUP 2023 MUR	COMPANY 2024 MUR	COMPANY 2023 MUR
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of Property, Plant and Equipment	25	(152,948,614)	(123,856,365)	(9,351,207)	(1,922,536)
Purchase of Intangible Assets	6	(4,953,552)	(40,723,687)	–	(453,223)
Proceeds from Disposal of Property, Plant and Equipment		–	20,000	–	–
Disposal of Subsidiary	33	80,189,600	–	–	–
Redemption of financial Asset at Amortised Cost		124,031,000	25,000,000	124,031,000	25,000,000
Investment in Joint venture	8	(190,824,748)	(22,665,378)	(190,824,748)	(22,665,378)
Additional Interests in Subsidiaries		–	(3,493,750)	–	–
Additions to Investment Properties		(87,445,265)	(10,577,437)	–	–
Decrease in Non-current Amount due from Subsidiaries		–	–	–	9,344,927
Increase in Non-current Amount due from Subsidiaries		–	–	(73,972,715)	(31,708,000)
Interest Received		26,331,748	34,102,152	23,555,375	38,294,508
NET CASH FLOWS (USED IN)/GENERATED FROM INVESTING ACTIVITIES		(205,619,831)	(142,194,465)	(126,562,295)	15,890,298
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividend Paid to Owners of the Company	23	(266,500,000)	(299,812,500)	(266,500,000)	(299,812,500)
Dividend Paid to Non-controlling Interests		(95,390,689)	(87,258,762)	–	–
Proceeds from Borrowings		580,000,000	2,154,961,544	–	–
Repayment of Loans		(572,471,681)	(2,418,558,982)	(80,540,434)	(80,849,336)
Repayments under Lease Agreements		(45,319,566)	(55,312,758)	(6,446,541)	(4,668,274)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		(399,681,936)	(705,981,458)	(353,486,975)	(385,330,110)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(343,477,349)	6,469,910	(240,890,212)	137,854,208
Net Foreign Exchange Differences		31,786,899	(9,928,755)	29,556,719	6,010,729
CASH AND CASH EQUIVALENTS AT 1 JANUARY		891,438,925	894,897,770	573,797,446	429,932,509
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	26	579,748,475	891,438,925	362,463,953	573,797,446

The notes on pages 95 to 165 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

1. INCORPORATION AND ACTIVITIES

The financial statements of Gamma Civic Ltd and its subsidiaries (collectively, the "Group") for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Directors on 24 March 2025. Gamma Civic Ltd (the "Company") is a public company incorporated in Mauritius and listed on the Official Market of the Stock Exchange of Mauritius Ltd. Its registered office is situated at Royal Road, Chapman Hill, Beau Bassin, Mauritius. The Company operates as an investment holding company. The Group operates in the following business segments: building materials, contracting, investments, lottery, corporate services and others. Its principal place of business is situated at 18, Bank Street, Cybercity, Ebene, Mauritius.

2. APPLICATION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS

In the current year, the Company has applied all of the new and revised IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 January 2024.

2.1. New And Revised Ifrs Accounting Standards That Are Effective But With No Material Effect On The Financial Statements

The following relevant revised IFRS Accounting Standards applied in the financial statements. Their application has not had any significant impact on the amounts reported for current and prior periods but may affect the accounting for future transactions or arrangements.

IAS 1	Presentation of Financial Statements – Amendments regarding the classification of liabilities
IAS 1	Presentation of Financial Statements – Amendments regarding the classification of debt with covenants
IAS 7	Financial Instruments: Disclosures – Amendments regarding supplier finance arrangements
IFRS 7	Financial Instruments: Disclosures – Amendments regarding supplier finance arrangements
IFRS 16	Leases – Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions

2.2 New And Amended Ifrs Accounting Standards And Ifrics Issued But Not Yet Effective

At the date of authorisation of these financial statements, the following IFRS Accounting Standards were in issue but effective for annual periods beginning on or after the respective dates as indicated:

IAS 28	Investments in Associates and Joint Ventures – Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture (deferred indefinitely)
IFRS 7	Financial Instruments: Disclosures – Amendments regarding the classification and measurement of financial instruments (effective 1 January 2026)
IFRS 9	Financial Instruments – Amendments regarding the classification and measurement of financial instruments (effective 1 January 2026)
IFRS 10	Consolidated Financial Statements - Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture (deferred indefinitely)
IFRS 18	Presentation and Disclosures in Financial Statements – Original issue (effective 1 January 2027)

The directors anticipate that these IFRS Accounting Standards will be applied on their effective dates in future periods. The directors have not yet assessed the potential impact of the adoption of these amendments.

3. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of Preparation

The financial statements are prepared under the historical cost convention, except for the revaluation of certain property, plant and equipment, investment properties and certain financial instruments that have been measured at fair values as disclosed in the accounting policies. The financial statements have been prepared in accordance with IFRS Accounting Standards and complies with the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(a) Basis of Preparation (continued)

The financial statements are presented in Mauritian Rupee and all values are rounded to the nearest Mauritian Rupee, except when otherwise indicated.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group and the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

In the Company's financial statements, investments in subsidiaries are stated at cost, less any impairment loss. Non-current amounts due from subsidiaries are classified as Investment in Subsidiaries by the Company as these amounts are unsecured and management does not intend to recall any amount in the foreseeable future. These amounts are in substance an extension of the equity investments in these subsidiaries so that the amounts are stated at nominal value.

(b) Going Concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

(c) Investments in Associates and Joint Venture

Associates are those companies which are not subsidiaries, over which the Group exercises significant influence and in which it holds a long-term equity interest. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investments in associates and joint ventures are accounted for at cost in the Company's financial statements and under the equity method of accounting in the Group's financial statements from the date on which investee becomes an associate or a joint venture. Under the equity method, the Group's share of the associates' and joint venture's profit or loss for the year is recognised in the Statements of Profit or Loss and Other Comprehensive Income and the Group's interest in the associate and joint venture is carried in the Statements of Financial Position at an amount that reflects its share of the net assets of the associates and joint venture.

When the Group's share of losses of an associate of joint venture exceeds the Group's interest in the associate or joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownerhip interests.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate and joint venture recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment on an annual basis as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in Profit or Loss.

If there is objective evidence that the Group's net investment in an associate or joint venture is impaired, the requirements of IAS 36 Impairment of Assets are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

(d) Basis of Consolidation

The consolidated financial statements include the results of the Company and its subsidiaries which are controlled by the Company. Control is achieved by the Company when:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The results of subsidiaries acquired or disposed of during the year are included in the Statements of Profit or Loss and Other Comprehensive Income from the date of their control is acquired or up to the date when control is lost.

Specifically, income and expenses of a subsidiary acquired or the parent Company loses control of the subsidiary disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the parent company gains control until the date when the Company ceases to control the subsidiary. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders,
- potential voting rights held by the Company, other vote holders or other parties,
- rights arising from other contractual arrangement; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meeting.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(e) Business Combinations

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair values at the acquisition date.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the minority's share of change in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in Profit or Loss.

Goodwill is subsequently measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(f) Property, Plant and Equipment

All property, plant and equipment are initially recorded at cost.

Land and buildings are subsequently shown at revalued amounts less accumulated depreciation. Revaluations are made by independent professional valuers. Under the revaluation model, assets will be carried at revalued amount less accumulated depreciation and subsequent accumulated impairment losses. All other property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Surpluses arising on revaluation are credited to revaluation reserve. Deficits that offset previous surpluses of the same asset are charged against the revaluation reserve in Other Comprehensive Income. All other deficits are charged to Profit or Loss.

Property, plant and equipment in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Depreciation is calculated to write off the cost or revalued amount of property, plant and equipment, with the exception of freehold land and property, plant and equipment in progress, on a straight line basis over the expected useful lives of the assets concerned.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in Profit or Loss.

An annual transfer from the asset revaluation surplus to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

The principal annual rates used for the purpose are:

Leasehold Improvements	2% to 20%
Freehold Buildings	2% to 20%
Plant and Machinery	10% to 50%
Motor Vehicles	20%
Furniture, Fittings and Equipment	10% to 33 1/3%
Rights-of-use assets	2% to 20%

No depreciation is provided on freehold land and on work in progress.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(g) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss and Other Comprehensive Income when the asset is derecognised.

(i) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates and joint ventures is included in investments in associates and joint ventures. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

(ii) Computer Software

Computer software that is not considered to form an integral part of any hardware equipment is recorded as intangible assets. The software is capitalised at cost and amortised over its estimated useful life. The principal annual rates used for the purpose are 20% to 33 1/3%.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(h) Inventories

Inventories are valued at the lower of cost and net realisable value. In general, cost is determined on a weighted average basis. The cost of inventories comprises all costs of purchase, costs of conversion and other costs, including a proportion of relevant overheads, incurred in bringing them to their present location and condition. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. The main inventory item for the Group consists of cement which the Group purchases in bulk and packs for resale to customers. The bulk cement is disclosed as raw materials and the packed cement as finished goods.

(i) Financial Instruments

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company's have applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group and the Company's have applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's and the Company's business model for managing financial assets refer to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group and the Company's commit to purchase or sell the asset.

The Group's and the Company's financial assets include cash in hand at banks, trade and other receivables, bank notes and inter-company receivables.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group includes in this category cash in hand at banks, trade and other receivables, notes and intercompany receivables. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows

And

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The losses arising from impairment are recognised in Profit or Loss.

Amortised cost and effective interest method ("EIR")

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become impaired (see below). For financial assets that have subsequently become impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the impaired financial instrument improves so that the financial asset is no longer impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Interest income is recognised in profit or loss and is included within Operating Profit.

Fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets;
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through profit or loss

Financial assets held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at Financial assets through profit or loss (FVTPL). Further, irrespective of the business model used, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes debt instruments which are mandatorily classified at FVTPL since the business model is not 'hold to collect' or 'hold to collect and sell'. Refer to Note 10(a).

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired.

Or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(i) Financial Instruments (continued)

Financial Assets (continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all trade receivables and contract assets. ECLs are based on the difference between the contractual cash flows due and all the cash flows that the Group expects to receive.

For contract assets, the Group applies a simplified approach in calculating ECLs. The expected credit losses on these financial assets are estimated using a provision matrix based on the entity's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the construction sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For trade receivables, the Group applies a simplified approach in calculating ECLs. The Group makes use of the roll rate methodology. It predicts the probability of default based on delinquency and calculates the percentage of debtors' balance in each bucket that deteriorate to the next bucket in the following month. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. The information about the ECLs on the Group's trade receivables is disclosed in Note 12.

For all the other financial instruments where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that results from default events that are possible within the next 12 months (a 12-month ECL).

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Write-off of financial assets

The Group assesses any write-off to be made on trade receivables, contract assets and amount due from related parties on a case to case basis when there is sufficient evidence that the amount receivable will no longer be recoverable.

Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, lease liabilities and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and lease liabilities.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method unless the effect of discounting would be immaterial in which case they are stated at cost.

Loans and borrowings and lease liabilities

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as "Finance costs" in the Statement of profit or loss.

This category includes interest bearing loans including bank overdrafts.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

(j) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(k) Taxation

Income tax expense represents the sum of the tax currently payable, deferred tax, Corporate Social Responsibility and Corporate Climate Responsibility.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for the business combination.

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Statements of Profit or Loss and Other Comprehensive Income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred taxation

Deferred taxation is provided for on the comprehensive basis using the liability method.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(k) Taxation (continued)

(ii) Deferred taxation (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

(iii) Corporate Social Responsibility

The Group is required to allocate 2% of its chargeable income of the preceding financial year to Government approved Corporate Social Responsibility (CSR) projects.

The required CSR charge for the current year is recognised as income tax expense in profit or loss. The net amount of CSR fund payable to the taxation authority is included as income tax payable in the statement of financial position.

(iv) Corporate Climate Responsibility Levy

The Finance (Miscellaneous Provisions) Act 2024, which was gazetted on 27 July 2024, introduced a new Corporate Climate Responsibility (CCR) Levy at 2% of chargeable income as from the year of assessment commencing on 1 July 2024. This new levy is considered under the provisions of IAS 12 – Income Taxes.

(l) Leases

Lessor

The Group and the Company enter into lease agreements as a lessor with respect to some of its investment properties. Leases for which the Group and the Company are a lessor are classified as operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Lessee

The Group and the Company considers whether a contract is or contains a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use.

The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the Statement of financial position. The right-of-use assets are measured at cost for those which are classified under Property, Plant & Equipment, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use assets for impairment when such indicators exist.

The right-of-use assets which are classified as Investment Properties are measured at fair value. Initial cost is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). Subsequent re-measurements are taken to profit or loss.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group and the Company have elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

(m) Investment Properties

Investment properties, which are properties held to earn rentals and/or for capital appreciation, are stated initially at cost, including transaction costs. Subsequent to initial recognition, the investment properties are measured at fair value. Gains or losses arising from changes in the fair value of the investment properties are included in Profit or Loss in the period in which they arise.

Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

(n) Foreign Currency Translation

Transactions in foreign currencies are translated into the functional and presentation currency, Mauritian rupee, at the rates of exchange ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies in the Statements of Financial Position are translated into Mauritian rupees at the rates of exchange ruling at the reporting date, and any differences in exchange arising are taken to profit or loss.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Mauritian Rupee using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

(o) Revenue Recognition

Revenue from contract with customers

Revenue is based on invoiced values, net of value added tax, of all sales of goods and services, proceeds from ticket sales net of prizes, sale of building materials and other contract work executed less discounts, allowances and returns.

Revenue from sales of goods and services is recognised when goods are delivered and title has passed and the services have been rendered.

Revenue from construction contracts is recognised in accordance with the Group's accounting policy on construction contracts as per note 3(p).

Revenue from lottery consist of sale of tickets, which are the wagers placed on lottery tickets on the Group's draw-based game, net of prizes.

The Group's revenue from lottery is recognised at the point in time when the draw has been held and the results have been certified by the Gambling Regulatory Authority. Where players wager in advance, the income is deferred and recorded as contract liabilities, until the draw has taken place when it is then recognised as revenue in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(o) Revenue Recognition (continued)

Revenue from contract with customers (continued)

Revenue from sales of building materials represents sales of cement, classified as bulk and bag. The performance is recognised at a point in time when control of the goods has transferred to the customer and the transactions price has already been set. As per condition of sales no alterations and cancellation of orders can be made once goods and services have been delivered, this is generally when the goods are delivered to the customers. No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due.

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of consideration received or receivable, excluding discounts, rebates, and Value Added Tax.

Other Revenue

Interest income is recognised when the income can be reliably measured and on a time basis, unless collectability is in doubt. Interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included within operating profit in statement of profit or loss.

Dividend income from equity investments is recognised when the shareholders' rights to receive payment have been established.

(p) Construction Contracts

The Group is involved in the construction industry and produces asphalt for resale. Revenue from contracts with customers is recognised when the control of goods and services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods and services. The Group has generally concluded that it is the principal in its revenue arrangements.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 4.

The Group principally generates revenue from its construction activities such as building of infrastructures, roads and minor civil constructions. The Group has established that it has one performance obligation in contracts entered with clients.

The Group recognises revenue from its construction contracts over time, using an output method to measure progress towards completion of the asset promised, because the customer simultaneously receives and consumes the benefits provided by the Group. Output methods recognise revenue on the basis of direct measurements of the value to the customer of the goods transferred to date relative to the remaining goods promised under the contract.

The Group believes that the output method faithfully depicts the Group's performance towards complete satisfaction of the performance obligation. The Group uses surveys of performance completed to date to determine the amount of revenue to be recognised.

(i) Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(ii) Significant financing components in respect of advances from its customers

Generally, the Group receives advances from its customers which are classified as short term and long term advances and classified as current or non-current contract liabilities. Using the practical expedient in IFRS 15, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Based on the nature of the goods and services offered and the purpose of payment terms, the Group determined that for the vast majority of the contracts that require customers to pay long-term advances, the payment terms were structured primarily for reason other than the provision of finance to the Group, i.e. advances are generally required from new customers, as well as customers with a history of late payments, they do not provide customers with an alternative to pay in arrears. In addition, the length of time between when the customer pays for the goods and the Group transfers goods to the customer is relatively short. Therefore, the Group has concluded that there is no significant financing component in these contracts.

Progress billings

Progress billings are invoices requesting payment for work completed till date. Progress billings are prepared and submitted for payment at each month end for all projects. Generally, the Group performs its surveys of work completed at each month end and issues a draft invoice to the customers for approval.

(iii) Non contracting revenue

Revenue from the sale of asphalt and testing of materials is recognised at the point in time when the control of goods and services are transferred to the customer. Control is transferred at the point of delivery of the asphalt. The revenue amount reflects the consideration to which the Group expects to be entitled in exchange for those goods and services.

(q) Contract Balances

(i) Contract asset

A contract asset is the right to consideration in exchange of goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays the consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(ii) Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in 3(i).

(iii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

(r) Retirement Benefit Obligations

Retirement Benefits in respect of The Workers' Rights Act 2019

The present value of retirement benefits in respect of The Workers' Rights Act 2019 is recognised in the Statement of Financial Position as a non-current liability. The valuation of the obligations is carried out annually by a firm of qualified actuaries.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of Government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from past experience adjustments and changes in actuarial assumptions are either charged or credited in Other Comprehensive Income in the period in which they arise. Past-service costs are recognised immediately in Profit or Loss when incurred.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement.

The Group and the Company present the first two components of defined benefit costs in Profit or Loss.

Defined Contribution

The Group and the Company operate a defined contribution pension plan for all qualifying employees. The funds are managed by an independent management committee. Where employees leave the plan in prior to full vesting of the contributions, the contributions payable by the Group and Company are reduced by the amount of forfeited contributions. Any residual gratuities under the Workers' Rights Act 2019 for the qualifying employees after allowing for permitted deduction in respect of the pension plan are included in retirement benefits.

Payments to the defined contribution pension plan are recognised as an expense when employees have rendered service entitling them to the contributions.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(r) Retirement Benefit Obligations (continued)

State plan

Contributions to the Contribution Sociale Généralisée (CSG) are expensed in profit or loss in the period in which they fall due.

(s) Borrowing Costs

Borrowing costs attributable to the acquisition of plant and machinery and construction of buildings, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the respective assets until such time as the asset are substantially ready for their intended use or sale.

All other borrowing costs are recognised in statement of Profit or Loss in the period they are incurred.

(t) Dividend Declared

Dividend declared is recognised directly in the Statement of Changes in Equity as a reduction in Retained Earnings when declared. A corresponding liability is accounted in the Statement of Financial Position for amounts not yet paid at year end.

(u) Impairment of Non-Financial Asset

The Group and the Company assess, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group and the Company estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group and the Company base the impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group and the Company estimate the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

(v) Accruals

Accruals are recognised when the Group and the Company have not yet received invoices for a good or service that has already been supplied and it is expected that the Group and the Company will fulfil their responsibility towards the supplier.

(w) Prizes

The draw-based game is operated under a prize pool mechanism under which a predetermined percentage of the ticket sales is allocated to prizes. To the extent that the actual prizes won on the draw vary from the predetermined percentage, the relevant prize is carried forward under a roll-over to subsequent draws.

The liability for prizes is recognised at the time of the draw in line with the predetermined percentage for that game. Prizes are net-off against gross lottery ticket sales in statement of Profit or Loss.

If prizes remain unclaimed for 184 days from the date of the draw-based game, the unclaimed prizes are remitted to the National Solidarity Fund.

(x) Consolidated Fund

The Group has a legal requirement to contribute a set proportion of net proceeds from lottery games to the Consolidated Fund managed by the Government of Mauritius.

The amount of Consolidated Fund represents the predetermined percentage of gross ticket sales net of prizes.

(y) Retailers' and Other Commissions

The Group pays commissions to third party retailers who act as agents of the Group under a standard commission structure, fixed at a percentage of total sales. In addition, validation commission is paid on prizes.

(z) Cash and Cash Equivalents

Cash comprises cash at bank and in hand and demand deposits net of bank overdrafts. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(aa) Assets Classified as Held for Sale

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sale will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are neither depreciated nor amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

or

- is a subsidiary acquired exclusively with a view to resale

(ab) Stated Capital

Stated capital comprises ordinary shares.

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12.

(ac) Segment Reporting

Segment information presented relate to operating segments that engage in business activities for which revenues are earned and expenses incurred.

(ad) Contingent Asset

A contingent asset is disclosed where an inflow of economic benefits is probable.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(ae) Contingent Liabilities

A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

(af) Current versus Non-current Classification

The Group and the Company present assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group and Company classify all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(ag) Fair Value Measurement

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Management determines the policies and procedures for both recurring fair value measurement, such as Freehold land & buildings, investment properties and unquoted financial assets at fair value through OCI.

Professional external valuers are involved for valuation of significant assets, such as freehold land & buildings and investment properties. Involvement of external valuers is determined annually by Management. Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in accordance with IFRS Accounting Standards as issued by the IASB requires the directors and management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that may affect the reported amounts and disclosures in the financial statements. Judgements and estimates are continuously evaluated and are based on historical experience and other factors, including expectations and assumptions concerning future events that are believed to be reasonable under the circumstances. The actual results could, by definition therefore, often differ from the related accounting estimates.

Where applicable, the notes to the financial statements set out areas where management has applied a higher degree of judgement that have a significant effect on the amounts recognised in the financial statements, or estimations and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4.1. Critical accounting judgements

(a) Construction contracts

Identifying performance obligation in contracts

The Group provides construction services to its customers. The Group has established that it has one performance obligation in its contracts with its customers. The Group performs several tasks within a single contract such as excavation works and use of its machineries and labour (including its quantity surveyors, contract managers and engineers) to build the asset. The Group has established that these tasks do not represent separate promises in the contract and are necessary for the completion of the promised asset to the customer and thus the Group has one performance obligation.

Determining the timing of satisfaction of construction services

The Group concludes that revenue for the construction contracts is to be recognised over time because:

(i) the customer simultaneously receives and consumes the benefits provided by the Group. The fact that another Group would not need to re-perform the construction work completed by the Group demonstrates that the customer simultaneously receives and consumes the benefits of the Group's performance as it performs.

(ii) the Group's performance creates an asset that the customer controls as the asset is created.

(iii) the Group's performance does not create an asset with an alternative use to the Group and as per the contract terms the Group has an enforceable right to payment for the performance completed to date.

In all contracts entered by the Group and its customers, the Group performs construction works on land that is owned by the customers. Therefore, as the Group performs its obligations as per the contract, the customers receive and consume the benefits of the work that has been completed. In addition, since the customers own the land, the customers control the asset being created and the Group cannot sell the work that has been performed to other customers.

Revenue recognition

Revenue is recognised based on output method of individual contracts. The output methods recognise revenue on the basis of direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract.

The survey of work performed is believed to faithfully depict the entity's performance towards satisfaction of its performance obligation. The Group signs a bill of quantities (BOQ) with the customer and the contract terms stipulate that the Group can make monthly claim based on the amount of work that has been completed till date based on the prices and quantities that have been agreed in the BOQ. Based on what has been agreed with the customers, the Group determines that the output method is the best method for measuring revenue.

Contract variations

Contract variations are recognised as revenues to the extent that it is probable that they will result in revenue which can be reliably measured. The Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Loss making and onerous contracts

In determining whether a contract is loss making or onerous, management applies their professional judgement to assess the facts and circumstances specific to the relevant contract. The assessments are performed on a contract-by-contract basis. The following factors are taken into account: future estimated revenues (including claims and variations), the stage of completion, the nature and relationship with the customer, expected inflation, the terms of contract and the Company's experience in that industry.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

4.1. Critical Accounting Judgements (continued)

(b) Revenue from lottery

The Group assesses its revenue arrangement on the operation of the lottery segment and determined that it is the principal as it controls the service before it is transferred to the customer. The primary responsibility for fulfilling the promise to provide the service toward the customers resides with the Group. The Group underwrites the jackpots and other prize money for the game and bears the risk associated with guaranteed jackpots. The Group is liable under the Civil Code should it default in making payment to the winners of the draw. The Group also bears the risk associated with prize pool and has no recourse to any other party in the event that it suffers losses in fulfilling its responsibilities under its gaming licence.

(c) Valuation of lease liabilities and right-of-use assets

The application of IFRS 16 requires the Group and the Company to make judgements that affect the valuation of the lease liabilities (note 15) and the valuation of right-of-use assets (notes 5 and 9). These include determining contracts in scope of IFRS 16, determining the contract term and determining the interest rate used for discounting of future cash flows.

The lease terms determined by the Group and the Company generally comprise non-cancellable period of lease contracts, periods covered by an option to extend the lease if the Group and the Company are reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group and the Company are reasonably certain not to exercise that option. The same term is applied as economic useful life of right-of-use assets.

The present value of the lease payment is determined using the discount rate, representing the rate of interest applicable for the currency of the lease contract and for similar tenor, corrected by the average credit spread of entities with rating similar to the Group's rating, observed in the period when the lease contract commences or is modified.

(d) Investment in subsidiary companies

Determination whether the Group has de facto control over an investee. Subsidiaries are all entities, including structured entities, over which the group has control. The Group controls an entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. For entities where effective holding is less than 50%, management ensures that control is exercised through board representations.

(e) Investment in joint ventures

Significant judgements and assumptions are made in determining whether an entity has joint control and the type of joint arrangement. In considering the classification, management considers whether control exists, the nature and structure of the relationship and other facts and circumstances.

4.2 Key Sources of Estimation Uncertainty

(a) Construction cost estimates

The Group uses internal quantity surveyors together with project managers to estimate the costs to complete construction contracts. Factors such as escalation of material prices, labour costs and other costs are included in the construction cost estimates based on best estimates.

(b) Provision for expected credit losses of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by customer type and rating).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

(c) Investment properties and freehold land and buildings

The Group's investment properties and freehold land and buildings have been valued based on the valuation carried out by an independent valuer not related to the Group based on sales comparison method, depreciated replacement cost and income comparison approach.

(d) Determination of quantity of cement

The subsidiary, namely Kolos Cement Ltd, has a unique cement storing facilities which are sheds. Unlike vertical silos where there are level detectors where quantity can be reliably measured, sheds do not have such facilities. The subsidiary instead uses a volumetric measurement to estimate the quantity of cement in its sheds. This involves an element of judgement to cater for the absence of level detectors. Even if this methodology has proven to be reliable, there is a margin of error which is considered as tolerable.

(e) Post-employment benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post-employment benefits include the discount rate. Any changes in these assumptions will impact the carrying amount of post-employment benefits.

The actuary determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the post-employment benefits. In determining the appropriate discount rate, the actuary considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms of maturity approximating the terms of the related post-employment benefits.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 16.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5. PROPERTY, PLANT AND EQUIPMENT

(a) Group

	Leasehold Improvements MUR	Freehold Land and Buildings MUR	Plant and Machinery MUR	Motor Vehicles MUR	Furniture, Fittings and Equipment MUR	Right-of-Use Assets MUR	Work In Progress MUR	Total MUR
COST OR VALUATION								
At 1 January 2023	77,359,312	721,595,513	857,839,717	11,402,208	463,179,184	487,574,153	47,823,287	2,666,773,374
Additions	–	152,544	64,900,902	–	4,094,351	71,340,923	54,708,568	195,197,288
Capitalisation/reclassification	–	–	34,652,585	–	33,115,133	–	(67,767,718)	–
Termination/derecognition	–	–	–	–	–	(17,731,789)	–	(17,731,789)
Transfer to Inventories	–	–	–	–	–	–	(869,544)	(869,544)
Disposals	(30,769,555)	–	–	–	(8,881,021)	–	–	(39,650,576)
Exchange difference	–	–	(1,092,751)	–	(113,081)	(693,275)	3,979	(1,895,128)
Revaluation adjustment	–	17,950,698	–	–	–	–	–	17,950,698
At 31 December 2023	46,589,757	739,698,755	956,300,453	11,402,208	491,394,566	540,490,012	33,898,572	2,819,774,323
Additions	–	–	78,684,579	8,000,000	4,785,103	71,175,595	61,478,932	224,124,209
Capitalisation/reclassification	–	5,444,388	24,410,851	–	13,189,202	–	(43,044,441)	–
Transfer to Intangible Assets	–	–	–	–	–	–	(900,000)	(900,000)
Assets written off	–	–	(308,571)	(28,342)	(654,768)	–	–	(991,681)
Disposals	–	–	(23,256,065)	(2,248,022)	(5,868,031)	–	(43,391)	(31,415,509)
Exchange difference	–	–	1,068,231	–	127,998	842,400	–	2,038,629
Disposal of Subsidiary (Note 33)	–	–	(22,494,905)	–	(2,740,501)	(17,739,342)	–	(42,974,748)
Remeasurement		–	–	–	–	3,371,991	–	3,371,991
Revaluation adjustment	–	3,105,612	–	–	–	–	–	3,105,612
At 31 December 2024	46,589,757	748,248,755	1,014,404,573	17,125,844	500,233,569	598,140,656	51,389,672	2,976,132,826
ACCUMULATED DEPRECIATION								
At 1 January 2023	72,566,038	757,815	576,877,591	10,959,659	383,068,556	136,877,204	–	1,181,106,863
Termination/derecognition	–	–	–	–	–	(7,786,609)	–	(7,786,609)
Charge for the year	730,249	29,491,065	35,072,308	80,331	23,919,100	59,437,978	–	148,731,031
Disposals	(30,769,555)	–	–	–	(8,864,871)	–	–	(39,634,426)
Exchange difference	–	–	(54,851)	–	(20,279)	(376,611)	–	(451,741)
Revaluation adjustment	–	(30,248,880)	–	–	–	–	–	(30,248,880)
At 31 December 2023	42,526,732	–	611,895,048	11,039,990	398,102,506	188,151,962	–	1,251,716,238
Charge for the year	1,365,438	20,358,965	82,561,992	335,368	25,805,836	51,042,584	–	181,470,183
Assets written off	–	–	(308,571)	(28,342)	(654,768)	–	–	(991,681)
Disposal	–	–	(23,197,338)	(2,248,022)	(5,866,435)	–	–	(31,311,795)
Exchange difference	–	–	63,705	–	22,508	457,896	–	544,109
Disposal of Subsidiary (Note 33)	–	–	(2,437,329)	–	(610,436)	(12,261,891)	–	(15,309,656)
Revaluation adjustment	–	(20,358,965)	–	–	–	–	–	(20,358,965)
At 31 December 2024	43,892,170	–	668,577,507	9,098,994	416,799,211	227,390,551	–	1,365,758,433
NET BOOK VALUE								
At 31 December 2024	2,697,587	748,248,755	345,827,066	8,026,850	83,434,358	370,750,105	51,389,672	1,610,374,393
At 31 December 2023	4,063,025	739,698,755	344,405,405	362,218	93,292,060	352,338,050	33,898,572	1,568,058,085

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(B) Company

	Freehold Land and Buildings MUR	Plant and Machinery MUR	Motor Vehicles MUR	Furniture, Fittings and Equipment MUR	Right-of-Use Assets MUR	Total MUR
COST OR VALUATION						
At 1 January 2023	330,800,000	2,804,616	2,767,478	17,464,717	30,409,176	384,245,987
Additions	152,545	–	–	1,769,991	7,511,639	9,434,175
Assets written off	–	–	–	(2,109,147)	–	(2,109,147)
Revaluation adjustment	14,877,455	–	–	–	–	14,877,455
At 31 December 2023	345,830,000	2,804,616	2,767,478	17,125,561	37,920,815	406,448,470
Additions	–	–	8,000,000	1,351,207	–	9,351,207
Assets written off	–	–	(65,479)	–	–	(65,479)
Remeasurement	–	–	–	–	920,809	920,809
Revaluation adjustment	2,150,000	–	–	–	–	2,150,000
At 31 December 2024	347,980,000	2,804,616	10,701,999	18,476,768	38,841,624	418,805,007
ACCUMULATED DEPRECIATION						
At 1 January 2023	–	2,804,616	2,767,478	16,477,232	15,454,778	37,504,104
Charge for the year	3,054,506	–	–	840,472	4,665,189	8,560,167
Assets written off	–	–	–	(2,109,147)	–	(2,109,147)
Revaluation adjustment	(3,054,506)	–	–	–	–	(3,054,506)
At 31 December 2023	–	2,804,616	2,767,478	15,208,557	20,119,967	40,900,618
Charge for the year	3,348,414	–	266,667	1,245,840	6,240,555	11,101,476
Assets written off	–	–	(65,479)	–	–	(65,479)
Revaluation adjustment	(3,348,414)	–	–	–	–	(3,348,414)
At 31 December 2024	–	2,804,616	2,968,666	16,454,397	26,360,522	48,588,201
NET BOOK VALUE						
At 31 December 2024	347,980,000	–	7,733,333	2,022,371	12,481,102	370,216,806
At 31 December 2023	345,830,000	–	–	1,917,004	17,800,848	365,547,852

The Directors have assessed that there is no impairment on Group's and the Company's Property, Plant and Equipment at 31 December 2024 (2023:Nil).

Freehold land and buildings of the Company and its subsidiaries were revalued on 31 December 2024 by Elevante Property Services Ltd, an independent valuer, based on the current open market values. Elevante Property Services Ltd is a member of the Royal Institute of Chartered Surveyors and The Directors are of the opinion that they have appropriate qualifications and recent experience in the valuation of freehold land and buildings in the relevant locations. The basis of valuation in estimating the fair value have been effected in accordance with the principles set out by the International Valuation Standards Committee as per the International Valuation Application 1 (IVA 1) which deals with valuation for financial reporting and which is to be used in the context of IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

The fair value of freehold land was determined using the sales comparison approach, that reflects recent transaction prices for land and the depreciated replacement cost approach for buildings. The significant inputs include the estimated construction costs and other ancillary expenditure and depreciation factor applied to the estimated construction cost.

(c) Fair value hierarchy and sensitivity

Details of the Group's and Company's freehold land and buildings and information about the fair value hierarchy as at 31 December 2024 are as follows:

	GROUP		COMPANY	
Reconciliation of Carrying amount	Land MUR	Buildings MUR	Land MUR	Buildings MUR
Carrying amount as at 1 January 2023	282,700,000	438,137,698	265,600,000	65,200,000
Additions	–	152,544	–	152,545
Depreciation	–	(29,491,065)	–	(3,054,506)
	282,700,000	408,799,177	265,600,000	62,298,039
Revaluation gain	13,300,000	34,899,578	13,300,000	4,631,961
Carrying amount as at 1 January 2024	296,000,000	443,698,755	278,900,000	66,930,000
Transfer from Work In Progress	–	5,444,388	–	–
Depreciation	–	(20,358,965)	–	(3,348,414)
	296,000,000	428,784,178	278,900,000	63,581,586
Revaluation gain	13,800,000	9,664,577	13,800,000	(8,301,586)
Carrying amount and fair value as at 31 December 2024	309,800,000	438,448,755	292,700,000	55,280,000

The buildings categorised into Level 3 of the fair value hierarchy, the following information is relevant:

Buildings	Valuation techniques	Significant unobservable inputs	Range	Fair value GROUP MUR	Fair value COMPANY MUR
2024	Depreciated replacement cost	Depreciation rate	25% to 75%	438,448,755	55,280,000
2023	Depreciated replacement cost	Depreciation rate	25% to 75%	443,698,755	66,930,000

The valuation exercise is carried out by an independent valuer on an annual basis. The valuer uses a combination of the depreciated replacement cost approach and the sales comparison approach in estimating the property value. Factors such as physical deterioration and obsolescence are considered. Also, the valuer compares the property with similar properties recently sold on the open market.

Sensitivity analysis

Increase/(decrease) in replacement cost per square metre by 1% in isolation would result in a higher/(lower) fair value on a linear basis.

	Valuation techniques	Significant unobservable inputs	Sensitivity +1% / -1% 2024	Sensitivity +1% / -1% 2023
GROUP Buildings	Depreciated replacement cost	Depreciation rate	4,384,488	4,436,988
COMPANY Buildings	Depreciated replacement cost	Depreciation rate	552,800	669,300

The freehold land are categorised into Level 2 (2023: level 2) of the fair value hierarchy, the following information is relevant:

Freehold Land	Valuation techniques	Significant unobservable inputs	Range	Fair value GROUP MUR	Fair value COMPANY MUR
2024	Sales comparison approach	Price per square metre	Rs 849 - Rs 15,266	309,800,000	292,700,000
2023	Sales comparison approach	Price per square metre	Rs 849 - Rs 4,730	296,000,000	278,900,000

Increase/(decrease) in the price per square metre would result in higher/(lower) fair value on a linear basis respectively.

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(d) Had the land and buildings owned by the Group and Company been measured on a historical basis, their carrying value would have been as follows:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Freehold land and buildings	271,681,361	278,506,029	76,528,399	76,727,640

(e) Assets pledged as security

Property, plant and equipment amounting to MUR 121M have been pledged as security for bank facilities granted to the Group (Note 15).

(f) Assets written off

Assets are written off when they are either damaged and not in a state to be used, or redundant and no more usable by the Group.

(g) Right-of-use assets

Group and Company as Lessee

Group	Land & Buildings MUR	Plant and Machinery MUR	Motor Vehicles MUR	Total MUR
At 1 January 2023	319,457,890	9,234,979	22,004,080	350,696,949
Additions	42,439,539	17,749,121	11,152,263	71,340,923
Depreciation for the year	(38,573,323)	(9,624,313)	(11,240,342)	(59,437,978)
Derecognition of right-of-use asset	(8,776,840)	(413,962)	(754,378)	(9,945,180)
Exchange difference	(316,664)	–	–	(316,664)
At 31 December 2023	314,230,602	16,945,825	21,161,623	352,338,050
Additions	108,096	70,321,873	745,626	71,175,595
Remeasurement	3,371,991	–	–	3,371,991
Disposal of Subsidiary	(5,477,451)	–	–	(5,477,451)
Depreciation for the year	(30,124,847)	(8,909,997)	(12,007,740)	(51,042,584)
Exchange difference	362,530	21,974	–	384,504
At 31 December 2024	282,470,921	78,379,675	9,899,509	370,750,105

Company	Total MUR
At 1 January 2023	14,954,398
Additions	7,511,639
Depreciation for the year	(4,665,189)
At 31 December 2023	17,800,848
Remeasurement	920,809
Depreciation for the year	(6,240,555)
At 31 December 2024	12,481,102

Description of lease activities

Land and buildings

The Group and Company lease land and buildings for their offices and warehouses. The leases are for a period of 3 years for the Company and 3 to 40 years for the Group including renewal period at the option of the Group

Plant and machinery, and motor vehicles

The Group leases plant and machinery like forklifts which are used in the operations and motor vehicles which are used by employees to attend construction sites and customers. The leases are for a period ranging from 2 to 4 years with no extension option.

Derecognition of Right-of-use asset

The right of use asset on leased land and buildings were derecognised as a result of the option for renewal not being exercised by the Group which was taken into consideration on initial assessment

The directors are of the opinion that the Rights of use assets have not been impaired at 31 December 2024 (2023:Nil).

6. INTANGIBLE ASSETS

(a) Group

	Goodwill & Other Intangibles MUR	Computer Software MUR	Total MUR
COST			
At 1 January 2023	882,101,816	190,022,541	1,072,124,357
Additions	–	40,723,687	40,723,687
Foreign exchange difference	–	(31,716)	(31,716)
Assets written off	–	(3,729,433)	(3,729,433)
At 31 December 2023	882,101,816	226,985,079	1,109,086,895
Additions	–	4,953,552	4,953,552
Transfer from property, plant and equipment	–	900,000	900,000
Assets written off	–	(3,199,296)	(3,199,296)
Foreign exchange difference	–	162,000	162,000
At 31 December 2024	882,101,816	229,801,335	1,111,903,151
ACCUMULATED AMORTISATION/IMPAIRMENT			
At 1 January 2023	131,041,916	39,315,123	170,357,039
Charge for the year	–	20,373,230	20,373,230
Assets written off	–	(3,002,212)	(3,002,212)
Exchange difference	–	(20,232)	(20,232)
At 31 December 2023	131,041,916	56,665,909	187,707,825
Charge for the year	–	25,658,787	25,658,787
Assets written off	–	(1,838,298)	(1,838,298)
Exchange difference	–	89,689	89,689
At 31 December 2024	131,041,916	80,576,087	211,618,003
NET BOOK VALUE			
At 31 December 2024	751,059,900	149,225,248	900,285,148
At 31 December 2023	751,059,900	170,319,170	921,379,070

Significant intangibles assets

The Group holds computer software which are amortised over a period of 5 years.

(b) Company

	Computer Software MUR
COST	
At 1 January 2023	5,702,330
Additions	453,223
Assets written off	(1,763,864)
At 31 December 2023 and 31 December 2024	4,391,689
ACCUMULATED AMORTISATION	
At 1 January 2023	4,861,508
Charge for the year	859,828
Assets written off	(1,763,864)
At 31 December 2023	3,957,472
Charge for the year	233,874
Assets written off	–
At 31 December 2024	4,191,346
NET BOOK VALUE	
At 31 December 2024	200,343
At 31 December 2023	434,217

The directors are of the opinion that the Intangible Assets have not been impaired at 31 December 2024 (2023:Nil).

6. INTANGIBLE ASSETS (CONTINUED)

Group

Goodwill and other intangibles acquired in a business combination is allocated, at acquisition, to the cash-generating units ("CGUs") that are expected to benefit from that business combination. The carrying amount of goodwill and other intangibles, which represent the excess consideration paid between the purchase price and net assets acquired, had been allocated as follows:

	2024 MUR	2023 MUR
Investment and Corporate Services & Others - Investment CGU	751,059,900	751,059,900

The Group tests goodwill and other intangibles annually for impairment, or more frequently if there are indications that goodwill might be impaired.

At 31 December 2024, based on the impairment tests, management determined that its Investments to which goodwill and other intangibles had been allocated had not been impaired.

Goodwill and other intangibles are allocated to the cash generating units. The main basis and assumptions used for impairment testing and the entities to which the carrying amount of goodwill are allocated are as follows:

		2024		2023
		MUR	MUR	MUR
	Basis of Impairment	Recoverable Amount	Carrying Amount	Carrying Amount
Pool Joseph Merven Ltd	Discounted cash flow	44,753,552	23,253,140	23,253,140
Kolos Cement Ltd	Share price on Stock Exchange	4,050,000,000	727,806,760	727,806,760
		4,094,753,552	751,059,900	751,059,900

The total amount of goodwill and other intangibles have been assessed as having indefinite useful life as the Group continues to derive benefits from its CGU's for which Goodwill is allocated. Goodwill and other indefinite intangibles attributable to Pool Joseph Merven Ltd comprise the value of expected synergies arising from the acquisition and a licence in 2019. The licence and the synergies were not separately recognised due to the high level of uncertainty involved in the fair valuation of the licence under IAS 38.

Main assumptions used for value in use of Pool Joseph Merven Ltd for the financial year 2024:

(i) the forecasts are based on the digital transformation that started in 2022 and is in progress.

(ii) the expected future net cash flows for five years have been discounted by 15.15% based on cost of equity

(iii) a 5-year projection was made based on yearly increase of 3% in operations

The goodwill attributable to Kolos Cement Ltd, which is significant compared to the total carrying amount of goodwill, have been tested for impairment based on its fair value less costs of disposal. The fair value are based on the share price of Kolos Cement Ltd, which is listed on the Development Enterprise Market of the Stock Exchange of Mauritius based on the effective shareholding in Kolos Cement Ltd. Additional impairment tests are done based on the discounted future cash flows and no indication of impairment for the year (2023: Nil).

7. INVESTMENTS IN SUBSIDIARIES

	COMPANY	
AT COST	2024 MUR	2023 MUR
At 1 January	1,640,775,280	1,580,721,262
Additions	–	42,448,000
Net cash movement during the year - non-current amount due from subsidiaries	73,972,715	22,363,073
Reclassification from Current Amount due to Subsidiaries	–	1,612
Impairment of investment in shares	–	(306,909)
(Net impairment loss)/reversal of net impairment loss recognised on non-current amount due from subsidiaries	–	(4,451,758)
At 31 December	1,714,747,995	1,640,775,280

(a) The subsidiaries (direct and indirect) of the Company as at 31 December 2024 are as follows:

	Activity	Class of Shares Held	Carrying Value of Investment		Effective % Holding	
			2024 MUR	2023 MUR	2024 MUR	2023 MUR
Accacias Co Ltd	Investment	Ordinary	–	–	100.0%	100.0%
A.S. Burstein Management Ltd	Lottery	Ordinary	–	–	100.0%	100.0%
Bitumen Storage Ltd	Dormant	Ordinary	–	–	100.0%	100.0%
Boron Investments Ltd	Dormant	Ordinary	–	–	100.0%	100.0%
BR Capital Ltd	Property investment	Ordinary	–	–	100.0%	100.0%
BR Hotel Resorts Ltd	Property investment	Ordinary	–	–	100.0%	100.0%
Burford Development Ltd	Dormant	Ordinary	25,000	25,000	100.0%	100.0%
Burford Investments Ltd	Property investment	Ordinary	–	–	100.0%	100.0%
Burford Property Ltd	Property investment	Ordinary	25,000	25,000	100.0%	100.0%
Burford Realty Ltd	Property investment	Ordinary	–	–	100.0%	100.0%
Cement Logistics Ltd	Cement	Ordinary	–	–	74.0%	74.0%
Centreview Development Ltd	Property investment	Ordinary	25,000	25,000	100.0%	100.0%
Checksa Loyalty Ltd	Dormant	Ordinary	–	–	100.0%	0.0%
Fortune Games Pte. Ltd	Dormant	Ordinary	–	–	100.0%	100.0%
Gamma Asia Construction Ltd	Dormant	Ordinary	–	–	100.0%	100.0%
Gamma Capital Ltd	Investment	Ordinary	105,164,595	105,164,595	100.0%	100.0%
RedCircle Investment Ltd	Dormant	Ordinary	–	–	100.0%	100.0%
Gamma Cement Ltd	Investment	Ordinary	363,313,290	363,313,290	100.0%	100.0%
Gamma Corporate Services Ltd	Secretarial services	Ordinary	–	–	100.0%	100.0%
Gamma-Civic Construction Holdings Ltd	Investment	Ordinary	–	–	100.0%	100.0%
Gamma-Civic Construction Ltd	Dormant	Ordinary	–	–	100.0%	100.0%
Gamma-Civic Hotel Holdings Ltd	Investment	Ordinary	57,187,000	57,187,000	100.0%	100.0%
Gamma Construction Ltd	Construction	Ordinary	106,000,000	106,000,000	100.0%	100.0%
Gamma Energy Holdings Ltd	Investment	Ordinary	–	–	100.0%	100.0%
Gamma Energy Ltd	Dormant	Ordinary	–	–	100.0%	100.0%
Green Sparrow International Ltd	Dormant	Ordinary	–	–	100.0%	100.0%
Gamma International Management Pte. Ltd	Dormant	Ordinary	216,491	216,491	100.0%	100.0%
Gamma Land Ltd	Investment	Ordinary	1,000,000	1,000,000	100.0%	100.0%
GammaTech Ltd	I.T Application	Ordinary	–	–	100.0%	100.0%
Gamma Treasury Management Limited	Treasury	Ordinary	1,000,000	1,000,000	100.0%	100.0%
Gammafin Resource Management Ltd	Dormant	Ordinary	–	–	100.0%	100.0%
Gamma Leisure Ltd	Investment	Ordinary	15,021,000	15,021,000	100.0%	100.0%
Govenland Co Ltd	Property investment	Ordinary	–	–	49.0%	49.0%

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

7. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(a) The subsidiaries (direct and indirect) of the Company as at 31 December 2024 are as follows: (continued)

	Activity	Class of Shares Held	Carrying Value of Investment 2024 MUR	2023 MUR	Effective % Holding 2024 MUR	2023 MUR
Glot Holdings (Mauritius) Ltd	Investment	Ordinary	99,000	99,000	99.0%	99.0%
Glot Management Ltd	Investment	Ordinary	–	–	100.0%	100.0%
Infina Investment Ltd	Dormant	Ordinary	–	–	100.0%	100.0%
Insignia Leisure Resorts Ltd	Dormant	Ordinary	–	–	100.0%	100.0%
Kolos Building Materials Ltd	Cement	Ordinary	–	–	74.0%	74.0%
Kolos Cement Ltd	Cement	Ordinary	–	–	74.0%	74.0%
Kolos International Ltd	Cement	Ordinary	–	–	74.0%	74.0%
Kolos Madagascar SA	Cement	Ordinary	–	–	0.0%	73.6%
Insignia Resorts Ltd	Dormant	Ordinary	–	–	100.0%	100.0%
Lottotech Ltd	Lottery	Ordinary	–	–	56.1%	56.1%
Loterie Vert Ltd	Lottery	Ordinary	–	–	56.1%	56.1%
Ludgate Investments Ltd	Dormant	Ordinary	33,139,000	33,139,000	100.0%	100.0%
Maurilot Investments Ltd	Investment	Ordinary	12,281,000	12,281,000	100.0%	100.0%
Natlot Investments Ltd	Investment	Ordinary	24,901,000	24,901,000	100.0%	100.0%
Osterley Investments Ltd	Dormant	Ordinary	–	–	100.0%	100.0%
Pool Joseph Merven Limited	Lottery	Ordinary	–	–	56.1%	56.1%
Princegate Holdings Ltd	Dormant	Ordinary	–	–	100.0%	100.0%
Reel Mada SA (In process of liquidation)	Dormant	Ordinary	–	–	65.0%	65.0%
Regency Realty Ltd	Dormant	Ordinary	–	–	100.0%	100.0%
RHT Media Ltd	Investment	Ordinary	–	–	100.0%	100.0%
Star Cement Ltd	Investment	Ordinary	–	–	100.0%	100.0%
Trailblaze Capital Ltd	Dormant	Ordinary	–	–	100.0%	0.0%
Traxx Ltd	Trading	Ordinary	–	–	100.0%	100.0%
Westbourne Properties Ltd	Property investment	Ordinary	9,309,000	9,309,000	100.0%	100.0%
Westview Realty Ltd	Property investment	Ordinary	582,169,000	582,169,000	100.0%	100.0%
			1,310,875,376	1,310,875,376		
Non-current amounts due from Subsidiaries - Note 7(c)			403,872,619	329,899,904		
			1,714,747,995	1,640,775,280		

The Non-current amounts due from subsidiaries classified as Non-current assets are unsecured and management does not intend to recall any amount in the foreseeable future. These amounts are in substance an extension of the equity investments in these subsidiaries so that the amounts are stated at nominal value.

No impairment of Non-current amounts due from subsidiaries was booked during the year (2023: Impairment MUR 4,451,758). Impairment test is carried out for all subsidiaries by first comparing the Company's investment against the net assets of the subsidiaries. Additionally, cash flow forecasts of subsidiaries are taken into account when carrying impairment test. Where the investment value is greater than the net assets of the subsidiaries, and there is no indication that the subsidiaries will generate positive cash flow in the foreseeable future, the investment value is impaired up to the net assets amount. There is no immediate indication of these subsidiaries generating positive cash flows. The Directors consider that the Net Assets Value equals to the Fair value less cost of disposal. The fair value is considered as being a level-3 in the fair value hierarchy.

(b) Composition of the Group

Information about the composition of the Group at the end of the reporting period is as follows:

Principal Activity	Place of Incorporation and Operation	Number of Wholly-owned Subsidiaries 2024	2023
Construction	Mauritius	1	1
Dormant	Mauritius	18	17
Dormant	Singapore	2	2
I.T Application	Mauritius	1	1
Investment	Mauritius	13	13
Lottery	Mauritius	1	1
Property investment	Mauritius	8	8
Secretarial services	Mauritius	1	1
Treasury	Mauritius	1	1
Trading	Mauritius	1	1
		47	46

Principal Activity	Place of Incorporation and Operation	Number of Wholly-owned Subsidiaries 2024	2023
Cement	Mauritius	4	4
Cement	Madagascar	–	1
Dormant	Mauritius	1	2
Investment	Mauritius	1	1
Lottery	Mauritius	3	3
Property investment	Mauritius	1	1
		10	12

(c) Non-current amount due from subsidiaries

	COMPANY 2024 MUR	2023 MUR
At 1 January	329,899,904	1,355,584,682
Reclassification from Current Amount due to Subsidiaries	–	1,612
Net cash movement during the year	73,972,715	22,363,073
Conversion to Equity shares	–	(1,072,546,705)
Transfer of impairment loss on conversion to Equity shares	–	28,949,000
Impairment loss on non-current amount due from subsidiaries	–	(4,451,758)
At 31 December (quasi equity aggregated into investment in subsidiaries - Note 7(a))	403,872,619	329,899,904

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

7. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(d) Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly owned subsidiaries of the Group that have material Non-controlling interests:

Name of subsidiary	Place of Incorporation and Principal Place of Business	Proportion of Ownership Interests and Voting Rights held by Non-controlling Interests		Profit/(Loss) allocated to Non-Controlling Interests		Accumulated Non-Controlling Interests	
		2024 MUR	2023 MUR	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Lottotech Ltd	Mauritius	43.9%	43.9%	41,917,598	65,945,742	64,625,563	79,353,877
Kolos Cement Ltd	Mauritius	26.0%	26.0%	44,943,090	23,253,232	148,568,506	140,643,292
Kolos Madagascar SA	Madagascar	0.0%	0.0%	(2,271,408)	(33,786,132)	–	(47,750,758)
Individually immaterial subsidiaries with non-controlling interests				42,256,540	8,939,440	(562,405)	10,787,194
				126,845,820	64,352,282	212,631,664	183,033,605

The Group disposed of its investment in Kolos Madagascar SA during the year (Note 33).

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Lottotech Ltd

	2024 MUR	2023 MUR
Current assets	302,801,597	291,048,786
Non-current assets	283,845,237	314,659,182
Current liabilities	(396,593,800)	(379,961,251)
Non-current liabilities	(42,773,385)	(44,901,729)
Equity attributable to owners of the Company	82,654,086	101,491,111
Non-controlling interests	64,625,563	79,353,877

	2024 MUR	2023 MUR
Revenue	1,444,209,368	1,515,682,694
Expenses	(1,348,681,569)	(1,365,392,711)
Profit for the year	95,527,799	150,289,983
Profit attributable to the owners of the Company	53,610,201	84,344,241
Profit attributable to the non-controlling interests	41,917,598	65,945,742
Profit for the year	95,527,799	150,289,983
Other comprehensive loss attributable to the owners of the Company	(1,848,290)	(1,855,765)
Other comprehensive loss attributable to non-controlling interests	(1,445,170)	(1,450,955)
Dividend paid to non-controlling interests	(55,201,040)	(74,594,300)
Cash flows - operating activities	159,014,275	55,958,609
Cash flows - investing activities	(21,868,017)	(40,772,347)
Cash flows - financing activities	(57,807,846)	(257,885,941)
Net cash inflow/(outflow)	79,338,412	(242,699,679)

Kolos Cement Ltd

	2024 MUR	2023 MUR
Current assets	563,350,230	812,772,197
Non-current assets	975,534,402	783,244,302
Current liabilities	(725,764,814)	(797,462,228)
Non-current liabilities	(241,702,487)	(257,618,531)
Equity attributable to owners of the Company	422,848,825	400,292,448
Non-controlling interests	148,568,506	140,643,292

	2024 MUR	2023 MUR
Revenue	2,500,751,011	2,245,032,836
Expenses	(2,327,892,974)	(2,155,597,327)
Profit for the year	172,858,037	89,435,509
Profit attributable to the owners of the Company	127,914,947	66,182,277
Profit attributable to the non-controlling interests	44,943,090	23,253,232
Profit for the year	172,858,037	89,435,509
Other comprehensive income attributable to the owners of the Company	8,527,437	14,948,568
Other comprehensive income attributable to non-controlling interests	2,996,126	5,252,200
Dividend paid to non-controlling interests	(40,014,000)	(12,425,400)
Cash flows - operating activities	272,705,362	(169,626,452)
Cash flows - investing activities	(47,464,631)	(25,271,074)
Cash flows - financing activities	(192,593,294)	(76,333,347)
Net cash inflow/(outflow)	32,647,437	(271,230,873)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

7. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(d) Details of non-wholly owned subsidiaries that have material non-controlling interests

Kolos Madagascar SA

	2024 MUR	2023 MUR
Current assets	–	44,131,866
Non-current assets	–	60,869,458
Current liabilities	–	(285,439,036)
Non-current liabilities	–	(3,219,050)
Equity attributable to owners of the Company	–	(135,906,004)
Non-controlling interests	–	(47,750,758)

Summarised Income Statement and Statement of Cash Flows for the period 01 January 2024 to 31 May 2024 (date of disposal)

	2024 MUR	2023 MUR
Revenue	14,165,290	270,063,281
Expenses	(22,901,474)	(367,161,570)
Loss for the year	(8,736,184)	(97,098,289)
Loss attributable to the owners of the Company	(6,464,776)	(63,312,157)
Loss attributable to the non-controlling interests	(2,271,408)	(33,786,132)
Loss for the year	(8,736,184)	(97,098,289)
Other comprehensive income attributable to the owners of the Company	(8,508,309)	5,889,066
Other comprehensive income attributable to non-controlling interests	(13,878,970)	2,069,131
Dividend paid to non-controlling interests	–	–
Cash flows - operating activities	(33,322,501)	47,076,908
Cash flows - investing activities	516,783	(20,546,459)
Cash flows - financing activities	(2,803,037)	(10,647,083)
Net cash inflow/(outflow)	(35,608,755)	15,883,366

The Group disposed of its investment in Kolos Madagascar SA during the year (Note 33).

8. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

(a) Group

	Associates		Joint Ventures		Total	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR	2024 MUR	2023 MUR
At 1 January	547,047,854	483,452,597	799,327,154	562,304,688	1,346,375,008	1,045,757,285
Additions	–	–	190,824,748	22,665,378	190,824,748	22,665,378
Conversion of bonds (Note 10)	–	–	–	156,911,144	–	156,911,144
Dividend received	(50,512,925)	(50,641,156)	(248,233,978)	(130,098,632)	(298,746,903)	(180,739,788)
Share of profit	119,136,506	74,949,757	50,821,111	184,134,925	169,957,617	259,084,682
Share of Other Comprehensive Income						
Revaluation surplus of property, net of deferred tax	3,217,538	39,608,972	(228,283)	9,473,736	2,989,255	49,082,708
Remeasurement of retirement benefit obligations, net of deferred tax	(446,516)	(322,316)	(3,372,030)	104,580	(3,818,546)	(217,736)
Foreign exchange difference	–	–	3,348,652	(6,168,665)	3,348,652	(6,168,665)
At 31 December	618,442,457	547,047,854	792,487,374	799,327,154	1,410,929,831	1,346,375,008

Company

	Associates		Joint Ventures		Total	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR	2024 MUR	2023 MUR
At 1 January	11,180,640	11,180,640	295,415,534	115,839,012	306,596,174	127,019,652
Additions	–	–	190,824,748	22,665,378	190,824,748	22,665,378
Conversion of bond (Note 10)	–	–	–	156,911,144	–	156,911,144
At 31 December	11,180,640	11,180,640	486,240,282	295,415,534	497,420,922	306,596,174

(b) The following are the associates of the Company:

Name	Activity	Class of Shares Held	Place of Business	Effective % Holding		% of Voting Power Held	
				2024 MUR	2023 MUR	2024 MUR	2023 MUR
Morning Light Co. Ltd	Hotel	Ordinary	Mauritius	25.3%	25.3%	25.3%	25.3%
Viva Voce Limitee	Media	Ordinary	Mauritius	25.7%	25.7%	25.7%	25.7%
Jasiri Investment Ltd	Investment Holding	Ordinary	Mauritius	50%	50%	50%	50%
CG Re (Africa) Ltd	Re-Insurance broking	Ordinary	Mauritius	50%	50%	50%	50%
CG Re (Africa) (Proprietary) Limited	Re-Insurance broking	Ordinary	Botswana	50%	50%	50%	50%

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

8. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

(b) The following are the associates of the Company (continued)

Details of the investment in the joint ventures are as follows:

Name	Activity	Class of Shares Held	Place of Business	Effective % Holding 2024 MUR	Effective % Holding 2023 MUR	% of Voting Power Held 2024 MUR	% of Voting Power Held 2023 MUR
Gamma Materials Ltd	Building Materials	Ordinary	Mauritius	50%	50%	50%	50%
LudWin Group SAS	Gaming Technology	Ordinary	France	51%	20%	51%	51%
CIMAD Holdings Ltd (Note 33)	Investment Holding	Ordinary	Mauritius	50%	–	50%	–
Ciment de Madagascar SARL*	Investment Holding	Ordinary	Madagascar	50%	–	50%	–
Alpha Ciment SA*	Cement	Ordinary	Madagascar	50%	–	50%	–
Alpha Ciment Immobilier SARL*	Property Holding	Ordinary	Madagascar	50%	–	50%	–
Chaumad Finance SARL*	Property Holding	Ordinary	Madagascar	50%	–	50%	–
Binastore SARL*	Property Holding	Ordinary	Madagascar	50%	–	50%	–
Kolos Madagascar SA*	Cement	Ordinary	Madagascar	50%	–	50%	–
Chaux de Madagascar SARL*	Property Holding	Ordinary	Madagascar	50%	–	50%	–

* wholly owned subsidiaries of CIMAD Holdings Ltd

(c) Summarised financial information in respect of each of the Group's material associates and joint ventures is set out below. The summarised financial information below represents amount shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards.

Figures for Associates include Morning Light Co. Ltd and Jasiri Investments Ltd group. Figures for Joint Ventures represent Gamma Materials Ltd and LudWin Group SAS and CIMAD Holdings group.

	Associates		Joint Ventures		Total	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Total Assets	3,351,953,248	3,180,654,879	4,617,267,746	2,110,432,314	7,969,220,994	5,291,087,193
Total Liabilities	(1,788,338,352)	(1,741,837,540)	(3,581,338,825)	(1,058,277,952)	(5,369,677,177)	(2,800,115,492)
Net Assets	1,563,614,896	1,438,817,339	1,035,928,921	1,052,154,363	2,599,543,817	2,490,971,702
Group's Share of Associates and Joint Ventures' Net Assets and Goodwill	618,674,561	546,937,497	792,487,297	799,327,154	1,411,161,858	1,346,264,651
Revenue	1,176,046,260	629,822,393	5,582,758,467	2,888,830,842	6,758,804,727	3,518,653,235
Profit for the Year	209,533,756	99,698,157	153,753,358	368,919,211	363,287,114	468,617,368
Total Comprehensive Income	220,746,643	255,006,088	146,552,732	388,075,843	367,299,375	643,981,931
Group's Share of Associates and Joint Ventures' Profit for the Year	118,623,581	69,035,667	50,821,111	182,771,224	169,444,692	251,806,891
Group's Share of Associates' and Joint Ventures' Total Comprehensive Income for the Year	120,881,678	108,322,323	50,569,450	192,349,540	171,451,128	300,671,863

Morning Light Co. Ltd

	2024 MUR	2023 MUR
Current assets - cash and cash equivalents	81,434,436	33,211,288
Other current assets	127,323,148	154,816,319
Non-current assets	2,557,982,837	2,617,932,600
Current liabilities	(316,040,194)	(362,796,032)
Non-current liabilities	(1,384,953,417)	(1,339,595,230)

	2024 MUR	2023 MUR
Revenue	762,581,735	307,933,004
Depreciation and amortisation	(110,190,814)	(64,752,792)
Interest expense	(69,374,698)	(34,770,713)
Income tax credit	3,111,861	20,419,644
Loss for the year	(53,432,997)	(93,336,394)
Other comprehensive income/(loss) for the year	12,054,795	155,459,117
Total comprehensive loss for the year	(41,378,202)	62,122,723
Dividends received from the associate during the year	–	–

Reconciliation of the above summarised information to the carrying amount of the interest in Morning Light Co. Ltd recognised in the consolidated financial statements:

	2024 MUR	2023 MUR
Net assets in Associate	1,065,746,810	1,103,568,945
Proportion of the Group's ownership interest in Morning Light Co. Ltd	25.3%	25.3%
Share of net assets in associate	269,740,518	279,313,300
Carrying amount of the Group's interest in Morning Light Co. Ltd	269,740,518	279,313,300

Jasiri Investment Ltd Group

	2024 MUR	2023 MUR
Current assets - cash and cash equivalents	342,369,842	232,169,718
Other current assets	236,185,834	138,603,065
Non-current assets	6,657,151	3,921,889
Current liabilities	(81,513,903)	(37,261,722)
Non-current liabilities	(5,830,838)	(2,184,556)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

8. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

(c) Summarised financial information in respect of each of the Group's material associates and joint ventures is set out below. The summarised financial information below represents amount shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards (continued).

Jasiri Investment Ltd Group (continued)

	2024 MUR	2023 MUR
Revenue	413,464,525	321,889,389
Interest income	8,547,972	4,376,913
Profit for the year	262,966,753	193,034,551
Other comprehensive loss for the year	(841,908)	(151,186)
Total comprehensive income for the year	262,124,845	192,883,365
Dividends received from the associate during the year	(50,000,000)	(50,000,000)

Reconciliation of the above summarised information to the carrying amount of the interest in Jasiri Investment Ltd recognised in the consolidated financial statements:

	2024 MUR	2023 MUR
Net assets in associate	497,868,086	335,248,394
Proportion of the Group's ownership interest in Jasiri Investment Ltd	50%	50%
Share of net assets in associate	248,934,043	167,624,197
Goodwill on purchase	100,000,000	100,000,000
Carrying amount of the Group's interest in Jasiri Investment Ltd	348,934,043	267,624,197

The goodwill represents the excess of the Group's share of net fair value of the identifiable assets and liabilities over the cost of the acquisition.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

At 31 December 2024, based on the impairment tests, the directors determined that goodwill that had been allocated to Jasiri Investment Ltd had not been impaired. The Group considers the relationship between the book value of the investment and the discounted forecasted cash flows. The amount of recurring dividend income is also taken into consideration.

Gamma Materials Ltd

	2024 MUR	2023 MUR
Current assets - cash and cash equivalents	42,859,440	141,081,927
Other current assets	826,456,558	553,222,776
Non-current assets	1,229,676,617	1,131,951,586
Current liabilities	(715,445,306)	(543,889,301)
Non-current liabilities	(392,186,991)	(195,634,735)

	2024 MUR	2023 MUR
Revenue	2,800,207,420	2,063,096,733
Interest income	1,725,436	1,898,630
Interest expense	(12,284,149)	(9,619,124)
Depreciation and amortisation	143,818,914	113,977,655
Income tax credit	14,476,447	10,467,793
Profit for the year	408,296,646	345,042,168
Other comprehensive income for the year	(7,200,626)	19,156,632
Total comprehensive Income for the year	401,096,020	364,198,800
Dividends received from the joint venture during the year	(248,233,978)	(130,098,632)

Reconciliation of the above summarised information to the carrying amount of the interest in LudWin Group SAS recognised in the consolidated financial statements:

	2024 MUR	2023 MUR
Net assets in joint venture	991,360,318	1,086,732,253
Proportion of the Group's ownership interest in Gamma Materials Ltd	50%	50%
Share of net assets in joint venture	495,680,159	543,366,127
Carrying amount of the Group's interest in Gamma Materials Ltd	495,680,159	543,366,127

LudWin Group SAS

	2024 MUR	2023 MUR
Current assets - cash and cash equivalents	58,199,740	82,090,379
Other current assets	150,404,761	151,746,016
Non-current assets	17,443,172	50,339,630
Current liabilities	(333,140,897)	(269,702,608)
Non-current liabilities	(29,838,141)	(49,051,308)
Equity attributable to owners of the Company	(110,917,415)	(14,589,358)
Non-controlling interests	(26,013,950)	(19,988,532)

	2024 MUR	2023 MUR
Revenue	602,939,283	825,734,109
Interest expense	(14,597,530)	(29,249,240)
Depreciation and amortisation	(21,032,405)	(18,900,881)
Income tax expense	(11,470,508)	(3,507,628)
(Loss)/profit for the year	(101,419,096)	11,510,794
Other comprehensive loss for the year	(837,853)	–
Total Comprehensive (loss)/income for the year	(102,256,949)	11,510,794
Total Comprehensive (loss)/income for the year attributable to owners of the Company	(49,054,030)	23,877,043
Total Comprehensive (loss)/income for the year attributable to Non-controlling interests	(53,202,919)	(12,366,249)

Reconciliation of the above summarised information to the carrying amount of the interest in LudWin Group SAS recognised in the consolidated financial statements:

	2024 MUR	2023 MUR
Net liabilities in joint venture attributable to owners	(110,917,415)	(14,589,358)
Proportion of the Group's ownership interest in LudWin Group SAS	51.00%	51.00%
Share of net liabilities in joint venture	(56,567,882)	(7,440,573)
Goodwill	262,625,036	263,401,600
Carrying amount of the Group's interest in LudWin Group SAS	206,057,154	255,961,027

In 2023, the Company exercised its right to convert bonds it previously subscribed into equity shares, bringing the shareholding to 51%. The investee is considered as a joint venture as per the terms of the shareholders' agreement.

At 31 December 2024, based on the impairment tests, the directors determined that goodwill that had been allocated to LudWin Group SAS had not been impaired. The Group considers the relationship between the book value of the investment and the discounted forecasted cash flows.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

8. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

(c) Summarised financial information in respect of each of the Group's material associates and joint ventures is set out below. The summarised financial information below represents amount shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards (Continued).

CIMAD Holdings LTD

	2024 MUR	2023 MUR
Current assets - cash and cash equivalents	5,035,976	–
Other current assets	807,386,980	–
Non-current assets	1,479,804,503	–
Current liabilities	(1,355,121,831)	–
Non-current liabilities	(755,605,660)	–

Period from 12 February 2024 to 31 December 2024	2024 MUR	2023 MUR
Revenue	2,179,611,764	–
Interest income	8,219,863	–
Interest Expense	(172,523,172)	–
Depreciation and amortisation	(75,743,563)	–
Income tax expense	(18,058,311)	–
Loss for the period	(205,489,258)	–
Other comprehensive loss for the year	–	–
Total comprehensive income for the year	(205,489,258)	–

Reconciliation of the above summarised information to the carrying amount of the interest in CIMAD Holdings Ltd recognised in the consolidated financial statements:

	2024 MUR	2023 MUR
Net assets in joint venture	181,499,968	–
Proportion of the Group's ownership interest in CIMAD Holdings Ltd	50%	–
Share of net assets in joint venture	90,749,984	–
Carrying amount of the Group's interest in CIMAD Holdings Ltd	90,749,984	–

Aggregate information of associate which is not individually material

	2024 MUR	2023 MUR
Net profit and total comprehensive income for the year	6,874,053	7,277,791
The Group's share of profit	512,925	2,275,039
Aggregate carrying amount of the Group's interests in these associates	(232,028)	110,356

Equity accounting has been applied and the Group's share of losses of associates recognised in the Group statements of profit or loss and other comprehensive income only to the extent of bringing the carrying amount of the investments in the respective associates down to zero. The associate which is not individually material to the Group and for which no figures have been disclosed above is Viva Voce Ltee.

9. INVESTMENT PROPERTIES

	GROUP Total MUR
At 1 January 2023	1,479,295,725
Additions	10,577,437
Reclassification from trade and other receivables (Note 12(a))	1,874,999
Gain on fair value adjustment	2,119,86
At 31 December 2023	1,493,868,021
Additions	87,445,265
Gain on fair value adjustment	30,435,586
At 31 December 2024	1,611,748,872

The fair value of the Group's investment properties as at 31 December 2024 has been arrived at on the basis of a valuation carried out on the respective dates by Elevante Property Services Ltd, an independent valuer not related to the Group. Elevante Property Services Ltd is member of the Royal Institute of Chartered Surveyors, and the directors determine that they have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair value was determined based on the sales comparison method and income capitalisation approach. The basis of valuation in estimating the fair values have been effected in accordance with the principles set out by the International Valuation Standards Committee as per the International Valuation Application 1 (IVA 1) which deals with valuation for financial reporting and which is to be used in the context of IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

There has been no change to the valuation technique during the year.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The Group rents leasehold land on which it has constructed office building and properties to be rented. The leases are for a remaining period of 11 to 46 years, with two land lease having an extension periods of 60 years.

	GROUP	
	2024 MUR	2023 MUR
Rental income derived from investment properties	39,683,681	29,631,959
Direct operating expenses (including repairs and maintenance) generating rental income (included in administrative expenses)	(9,201,853)	(6,108,171)
Direct operating expenses (including repairs and maintenance) that did not generate rental income (included in administrative expenses)	(5,570,663)	(2,262,451)
Profit arising from investment properties carried at fair value	24,911,165	21,261,337

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Fair Value Hierarchy of Investment Properties

	Level 3 MUR	Fair value as at 31 December 2024 MUR
Freehold building on leasehold land, freehold office units and leasehold site	591,549,630	591,549,630
Bare freehold land and buildings and other structures	800,400,000	800,400,000
Leasehold land - right-of-use assets	219,799,242	219,799,242
		1,611,748,872

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

9. INVESTMENT PROPERTIES (CONTINUED)

Fair Value Hierarchy of Investment Properties (continued)

	Level 3 MUR	Fair value as at 31 December 2023 MUR
Freehold building on leasehold land, freehold office units and leasehold site	504,103,353	504,103,353
Bare freehold land and buildings and other structures	800,400,000	800,400,000
Leasehold land - right-of-use assets	189,364,668	189,364,668
		1,493,868,021

The investment properties categorised into Level 3 (2023: Level 3) of the fair value hierarchy, the following information is relevant:

	Valuation techniques	Significant observable inputs	Range 2024	Range 2023
Freehold building on leasehold land	Income capitalisation approach	Rental growth	3% - 5%	3% - 5%
Freehold office units and leasehold site		Rental yield	7.75 to 8.25%	7.75 to 8.25%

Increase/(decrease) in the rental income would result in higher/(lower) fair value on a linear basis respectively.

	Valuation techniques	Significant observable inputs	Range 2024 MUR	Range 2023 MUR
Freehold Land	Sales comparison	Price per square metre	Rs 849 - Rs 9,671	Rs 907 - Rs 9,671

A 1% change in price per square metre of Freehold Land would result in change of the value by Rs 8M.

10. OTHER FINANCIAL ASSETS

(a) Financial asset at fair value through profit or loss

	GROUP AND COMPANY 2024 MUR	GROUP AND COMPANY 2023 MUR
At 1 January	–	142,160,670
Additions	–	–
Interest accrued	–	10,461,144
Foreign exchange gain	–	4,289,330
Conversion of bonds to Investment in shares in Joint Venture (Note 8)	–	(156,911,144)
At 31 December	–	–

In 2022, the Company invested in convertible bonds in a French company, Ludwin Group SAS ('LudWin'). In 2023, pursuant to the agreement with LudWin, the Company opted for conversion of the bonds into equity shares.

(b) Financial asset held at amortised cost

	GROUP 2024 MUR	GROUP 2023 MUR	COMPANY 2024 MUR	COMPANY 2023 MUR
At 1 January	124,031,000	149,570,556	124,031,000	149,570,556
Additions	82,600,000	–	–	–
Redemption	(124,031,000)	(25,000,000)	(124,031,000)	(25,000,000)
Interest accrued	10,640,100	5,801,018	5,637,064	5,801,018
Interest Received	(5,637,064)	(6,340,574)	(5,637,064)	(6,340,574)
At 31 December	87,603,036	124,031,000	–	124,031,000

During the year the Group invested in redeemble preference shares carrying interest at 9% per annum. No impairment was deemed to be provided on the financial assets. The Company redeemed its investment in MCB Stockbrokers Limited during the year.

(c) Disclosed as follows:

	GROUP 2024 MUR	GROUP 2023 MUR	COMPANY 2024 MUR	COMPANY 2023 MUR
Non-Current:				
Financial asset held at amortised cost	–	124,031,000	–	124,031,000
Current:				
Financial asset held at amortised cost	87,603,036	–	–	–

11. INVENTORIES

	GROUP 2024 MUR	GROUP 2023 MUR
Raw materials	277,069,337	243,831,754
Stock in transit	17,999,525	148,836,732
Finished goods	88,438,790	86,337,695
	383,507,652	479,006,181

During the period cost of inventories recognised as expense in Profit or Loss amounts to MUR 2,050,531,951 (2023: MUR 1,885,176,470).

The cost of inventories recognised as expense includes MUR 11,665,295 in respect of write-downs (2023: MUR 5,875,245) of inventory to net realisable value.

Assets pledged as security

Inventories amounting to MUR 186M have been pledged as security for bank facilities granted to the Group (Notes 14 and 18).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

12. CONTRACT ASSETS

	GROUP	
	2024 MUR	2023 MUR
Non-current assets		
Contracts retention	4,515,083	6,084,279
Advance to subcontractors	55,107,248	–
	59,622,331	6,084,279
Current assets		
Contract Assets	335,145,169	255,337,519
Expected credit losses	(2,140,162)	(1,156,245)
	333,005,007	254,181,274
Contracts retention	345,631,517	180,792,975
Advance to subcontractors	262,335,662	73,452,941
	940,972,186	508,427,190

The contract assets primarily relate to the amount that the Group will receive when the conditions attached to the construction contracts are met. Contract assets also include all contracts retention, advances paid to subcontractors and also applied receivables not yet certified.

Contracts retention are amounts invoiced but not paid until the conditions specified in the contract are fulfilled or until defects have been rectified. These balances are carried at amortised cost using an effective interest rate of 7.05% p.a (2023:7.55%).

Advance to subcontractors are amounts paid to subcontractors before the related works are performed.

In determining the recoverability of contract assets, the Group assesses its contractual rights and the terms and conditions of the agreements. The Group does not hold any collateral as security over these balances.

Balances of contract assets are assessed for expected credit losses.

Allowance for expected credit losses

31 December 2024

	Not yet due MUR	Low risk including Government bodies MUR	Medium risk MUR	High risk MUR
Estimated total gross carrying amount at default	224,098,711	109,640,653	1,405,805	–
Expected credit losses	(1,154,985)	(545,099)	(440,078)	–
Net carrying amount	222,943,726	109,095,554	965,727	–

31 December 2023

	Not yet due MUR	Low risk including Government bodies MUR	Medium risk MUR	High risk MUR
Estimated total gross carrying amount at default	199,366,036	53,958,692	1,687,545	325,246
Expected credit losses	(63,165)	(329,312)	(438,522)	(325,246)
Net carrying amount	199,302,871	53,629,380	1,249,023	–

Allowance for expected credit losses

	GROUP	
	2024 MUR	2023 MUR
At 1 January	1,156,245	1,293,271
Charge/(credit) for the year	983,917	(137,026)
At 31 December	2,140,162	1,156,245

12(a) TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Trade receivables, net of allowance for expected credit losses	648,924,952	632,069,251	–	–
Amount due from associates and joint venture (note 28)	26,921,730	67,330,951	20,974,280	12,489,635
Other receivables and prepayments	106,704,594	121,059,254	22,933,769	26,986,068
	782,551,276	820,459,456	43,908,049	39,475,703

The carrying amount of trade and other receivables approximate their fair value.

The average contractual credit period on sales of goods is two months. Allowance for expected credit losses is determined by the Group using provision matrix. No interest is charged on the trade receivables. Management expects full recoverability of due balances which are neither past due nor impaired.

Prior tender submission decision for a contract, the Group assesses the financial strength and stability of the potential client. The Group bids for both private and government projects. Payment terms form part of the contract agreement whereby all conditions and entitlements of the contractor are listed. The client portfolio varies from year to year depending on which contracts are awarded at that time. Credit exposure to an individual counterparty is restricted by credit limit based on ongoing credit evaluation. The counterparty's payment pattern and credit exposure are continuously monitored at the entity level by Management.

Customer credit risk is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard. Outstanding customer receivables and contract assets are regularly monitored. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on historical trend of different customer segments with similar loss patterns which are customer type and rating. The calculation reflects the probability-weighted outcome, the time value of money, reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Allowance for expected credit losses on trade receivables

Group	Collectively assessed	Individually assessed	Total
	MUR	MUR	MUR
At 1 January 2023	8,625,361	89,191,778	97,817,139
Credit for the year	1,100,355	(69,313,614)	(68,213,259)
Charge for the year	1,032,651	–	1,032,651
Write off	(2,011,278)	–	(2,011,278)
Foreign exchange difference	33,860	–	33,860
At 31 December 2023	8,780,949	19,878,164	28,659,113
Credit/(charge) for the year	579,869	(915,577)	(335,708)
Write off	(1,117,671)	–	(1,117,671)
Disposal of Subsidiary	(4,209,648)	–	(4,209,648)
At 31 December 2024	4,033,499	18,962,587	22,996,086

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

12. CONTRACT ASSETS (CONTINUED)

12(a) Trade And Other Receivables (continued)

Allowance for expected credit losses on trade receivables (continued)

Company	**Total**
	2024 and 2023
	MUR
At 1 January and 31 December	–

Impairment loss (reversed)/recognised on trade receivables refers to allowances for expected losses as required by IFRS 9. The movement in allowances for expected credit losses for the year is not material. An amount of MUR 1,117,671 (2023: MUR 2,011,278) out of the balance of expected credit losses was written off during the year as uncollectible.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date.

The Group applies the IFRS 9 simplified approach to measuring the expected credit losses for other receivables and amounts due from related parties. Expected credit losses are calculated based on individual balances on a case to case basis.

The Group's Other receivables are assessed for expected credit losses individually on a case-by-case basis and no impairment was made during the year (2023: MUR nil).

Credit exposure on trade receivables

Group - 31 December 2024	Less than 30 days	31 - 60 days	61 - 90 days	More than 90 days
Expected credit loss rate (%)	< 1%	< 1% - 4%	5% - 10%	18% - 100%
	MUR	MUR	MUR	MUR
Estimated total gross carrying amount at default	614,024,629	33,981,399	3,013,117	20,901,893
Expected credit loss	(2,662,613)	(4,748)	(561,827)	(804,311)
Individually assessed	–	–	–	(18,962,587)
Net carrying amount	611,362,016	33,976,651	2,451,290	1,134,995

Group - 31 December 2023				
Expected credit loss rate (%)	< 1%	< 1% - 4%	4% - 10%	16% - 100%
	MUR	MUR	MUR	MUR
Estimated total gross carrying amount at default	448,788,786	74,697,961	3,005,097	134,236,520
Expected credit loss	(463,935)	(1,016,543)	(1,760,478)	(5,539,993)
Individually assessed	–	–	–	(19,878,164)
Net carrying amount	448,324,851	73,681,418	1,244,619	108,818,363

13. SHARE CAPITAL

	GROUP AND COMPANY	
	2024	2023
	MUR	MUR
Authorised		
133,250,000 (2023: 133,250,000) Ordinary Shares of Rs1 (2023: MUR 1) each	133,250,000	133,250,000
Issued and fully paid		
133,250,000 (2023: 133,250,000) Ordinary Shares of Rs1 (2023: MUR 1) each	133,250,000	133,250,000

Fully paid ordinary shares have equal rights to vote, dividends and to the distribution of the surplus assets of the Company on winding up.

14. BORROWINGS

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
(a) Loans repayable by instalments	1,409,947,622	1,402,419,303	1,156,326,783	1,236,867,217
Less: amount due for settlement within one year (shown under current liabilities)	(265,585,142)	(164,440,401)	(82,838,138)	(82,529,237)
Amount due for settlement after one year (shown under non-current liabilities)	1,144,362,480	1,237,978,902	1,073,488,645	1,154,337,980
(b) Bank loans	370,278,664	363,059,246	161,698,440	242,547,775
Bond liability	994,628,343	994,319,442	994,628,343	994,319,442
Other loans	45,040,615	45,040,615	–	–
	1,409,947,622	1,402,419,303	1,156,326,783	1,236,867,217
(c) The loan due for settlement after one year are repayable as follows:				
After one year before two years	94,142,607	110,943,967	80,849,795	80,849,795
After two years before five years	667,539,258	669,354,320	655,000,000	660,848,185
After five years	382,680,615	457,680,615	337,638,850	412,640,000
	1,144,362,480	1,237,978,902	1,073,488,645	1,154,337,980

Borrowings amounting to MUR 929,321,865 are secured by fixed and floating charges on the assets of the borrowing companies. The rates of interest of the bank loans are variable and range between 6.05% p.a. to 6.95% p.a. (2023: 5.90% p.a. to 7.50% p.a.). The rates of interest of the bond liability are partly variable and range between 5.75% p.a. to 5.85% p.a. (2023: 5.75% p.a. to 5.85% p.a), and partly fixed and range between 3.68% to 4.60% per annum. The loans include a total amount of MUR 45,040,615 (2023: MUR 45,040,615) which are unsecured, interest-free with no fixed repayment terms. The fair value of borrowings approximates their carrying amount.

15. LEASE LIABILITIES

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
At 1 January	266,356,010	260,598,396	19,572,227	16,728,862
Accretion of interest	17,358,841	18,767,608	1,001,208	1,036,060
Additions	71,175,595	71,340,923	–	7,511,639
Remeasurement of liabilities	3,371,991	–	920,809	–
Termination	–	(9,945,180)	–	–
Repayments	(62,678,407)	(74,080,366)	(7,447,749)	(5,704,334)
Foreign exchange difference	395,480	(325,371)	–	–
Disposal of Subsidiary (Note 33)	(8,328,046)	–	–	–
Lease liabilities:	287,651,464	266,356,010	14,046,495	19,572,227
Less: amount due for settlement within one year (shown under current liabilities)	(40,914,390)	(45,331,979)	(6,823,651)	(6,157,195)
Amount due for settlement after one year (shown under non-current liabilities)	246,737,074	221,024,031	7,222,844	13,415,032

The lease liabilities in connection to property, plant & equipment relate to leasehold land and buildings, plant and machinery and motor vehicles with lease term ranging from 3 to 40 years including renewal period at the option of the Group. The lease liabilities pertaining to investment property represents bare leasehold land and leasehold land on which the Group has constructions erected. The leases are for a remaining period of 5 to 15 years, with extensions period of 60 years.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

15. LEASE LIABILITIES (CONTINUED)

The following are the amounts recognised in profit or loss:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Depreciation of right-of-use assets	51,042,584	59,437,978	6,240,555	4,665,189
Interest expense on lease liabilities	17,358,841	18,767,608	1,001,208	1,036,060
Expense relating to short-term leases and low value assets	1,973,338	2,536,929	–	–
	70,374,763	80,742,515	7,241,763	5,701,249
Total cash outflows	(62,678,407)	(74,080,366)	(7,447,749)	(5,704,334)

16. RETIREMENT BENEFIT OBLIGATIONS

(a) Defined contribution plan

The Group and the Company participate in a multi-employer defined contribution (DC) pension plan to which it contributes 6%, 8% or 10% of its eligible employees' salaries depending on age. The assets of the plans are held separately from those of the Group and the Company in funds under the control of an independent management committee. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the Group and the Company are reduced by the amount of forfeited contributions. Any residual gratuities under the Workers' Rights Act 2019 for the qualifying employees after allowing for permitted deductions in respect of the pension plan are included below in the tables for the retirement benefits in respect of The Workers' Rights Act 2019.

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Amount recognised as expense for the defined contribution plan	25,088,823	24,436,929	3,209,000	2,570,415

(b) Statutory retirement benefits in respect of the Workers' Rights Act 2019.

The most recent actuarial valuation of the pension plans were carried out at 31 December 2024 by Aon Hewitt Ltd. The directors ensure the actuary is independent. The Group has recognised a net defined benefit liability of Rs 152,011,470 (Company: MUR 21,917,000) in its statement of financial position as at 31 December 2024 (2023: Group MUR 117,672,027 and Company: MUR 17,364,000) in respect of any additional retirement gratuities that are expected to be paid out of the Company's cashflow to its employees under the Workers' Rights Act (WRA) 2019 and in respect of any retirement gratuities for employees not covered by the pension plan.

Since 1 January 2022, employers are required to make contributions into the Portable Retirement Gratuity Fund (PRGF) for their employees who are not covered under any approved pension schemes. The Group has recognised estimated plan assets of MUR 20,910,184 (Company: MUR 1,047,000) as at 31 December 2024 (2023: Group MUR 10,156,830 and Company MUR 618,000) in respect of the accumulated contributions to PRGF for its employees.

The defined benefit liability exposes the Group to normal risks described below:

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by an increase in the return on the plan's debt investments and a decrease in inflationary pressures on salary and pension increases.

Investment risk: The plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan assets is below this rate, it will create a plan deficit and if it is higher, it will create a plan surplus.

Longevity risk (where the plan is funded and an annuity is paid over life expectancy): The plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary risk: The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

The Group had a residual obligation imposed by WRA 2019 on top of its DC plan. It is therefore particularly exposed to investment under-performance of the DC plan.

There has been no plan amendment, curtailment or settlement during the year, except for the negative past service cost due to change in the retirement gratuity formula (from 15/22 back to 15/26) for employees working 5-day weeks (assuming that the change in the retirement gratuity formula applies in respect of all service retrospectively for those employees retiring, dying or leaving on or after 1 July 2022).

(c) Reconciliation of net defined benefit liability:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Reconciliation of net defined benefit liability:				
At 1 January	117,672,027	103,485,713	17,364,000	18,464,000
Amount recognised in statement of profit or loss	25,257,979	(5,144,981)	3,209,000	(1,248,000)
Amount recognised in other comprehensive income	22,226,370	27,265,402	1,951,000	578,000
Less: employer contributions	(13,144,906)	(7,934,107)	(607,000)	(430,000)
At 31 December	152,011,470	117,672,027	21,917,000	17,364,000

(d) Reconciliation of fair value of plan assets

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
At 1 January	10,156,830	4,855,000	618,000	219,000
Interest income	765,000	461,000	44,000	27,000
Employer contributions	13,144,906	7,934,107	607,000	430,000
Benefits paid	(2,391,552)	(2,632,277)	(178,000)	(31,000)
Return on plan assets excluding interest income	(765,000)	(461,000)	(44,000)	(27,000)
At 31 December	20,910,184	10,156,830	1,047,000	618,000

(e) Movement in the present value of the defined benefit obligation in the current year were as follows:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
At 1 January	127,828,857	108,340,713	17,982,000	18,683,000
Current service cost	20,987,329	16,772,748	2,305,000	1,729,000
Interest expense	5,170,876	6,696,610	948,000	1,051,000
Past service cost	(135,226)	(28,153,339)	–	(4,001,000)
Benefits paid	(2,391,552)	(2,632,277)	(178,000)	(31,000)
Liability experience loss/(gain)	20,739,370	6,057,402	3,067,000	(471,000)
Liability loss/(gain) due to change in financial assumptions	722,000	20,747,000	(1,160,000)	1,022,000
At 31 December	172,921,654	127,828,857	22,964,000	17,982,000

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

16. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(f) Amount recognised in statements of profit or loss in respect of defined benefit plans are as follows:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Current service cost	20,987,329	16,772,748	2,305,000	1,729,000
Past service cost	(135,226)	(28,153,339)	–	(4,001,000)
Interest expense	4,405,876	6,235,610	904,000	1,024,000
Amounts recorded in statements of profit or loss	25,257,979	(5,144,981)	3,209,000	(1,248,000)

(g) Components of amount recognised in other comprehensive Income:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Return on plan assets below interest income	765,000	461,000	44,000	27,000
Liability experience loss/(gain)	20,739,370	6,057,402	3,067,000	(471,000)
Liability loss/(gain) due to change in financial assumptions	722,000	20,747,000	(1,160,000)	1,022,000
Components of defined benefit costs recorded in other comprehensive income	22,226,370	27,265,402	1,951,000	578,000

The past service cost, the service cost and the net-interest expenses for the year is included in the employee benefits expenses in the statement of profit or loss and other comprehensive income. The remeasurement on the net defined benefit liability is included in other comprehensive income.

The allocation plan assets at the end of the period:

	GROUP AND COMPANY	
	2024 %	2023 %
Cash	100	100

Since no information is yet available on the investment mix of the PRGF, assumed 100% cash held.

(h) The principal assumptions used for the purposes of the actuarial valuation were as follows:

	GROUP		COMPANY	
	2024	2023	2024	2023
Discount rate	4.8% to 5.3%	4.6% to 6.7%	5.2%	5.3%
Expected rate of salary increase	3% to 5%	4.2% to 5.3%	3.7%	4.2%
Expected rate of pension increases	0.0%	0.0%	0.0%	0.0%
Average retirement age (ARA)	60 / 65 years	60 / 65 years	60 / 65 years	60 / 65 years

(i) Sensitivity analysis on defined benefit obligation at end of year

	GROUP		COMPANY	
	2024	2023	2024	2023
Increase due to 1% decrease in discount rate	36,465,182	24,174,172	2,662,000	2,108,000
Decrease due to 1% increase in discount rate	27,159,428	25,340,268	2,247,000	1,798,000

(j) Future cash flows

The funding policy is to pay contributions to PRGF and top-up benefits out of the reporting entity's cashflow as and when due.

	GROUP		COMPANY	
	2024	2023	2024	2023
Expected employer contributions to PRGF and top-up benefits for the next year	12,329,674	8,826,107	658,000	540,000
Weighted average duration of the defined benefit obligation	5 to 26 years	5 to 26 years	9-16 years	9 years
CSG/NPS contributions expensed	30,815,793	27,527,905	4,571,950	3,869,113

17. TAXATION

(a) Income Tax

The Group is liable to income tax on its profits, as adjusted for income tax purposes, at the rate of 17%. This consists of 15% corporate income tax and 2% Corporate Social Responsibility tax. The Finance (Miscellaneous Provisions) Act 2024 introduced a new Corporate Climate Responsibility (CCR) levy at 2% on current year chargeable income for the year of assessment commencing on 1 July 2024. CCR is payable by all companies where the turnover exceeds MUR 50 million. This levy is recognised as part of income tax expense.

(i) The Income tax expense for the year can be reconciled to the accounting profit as follows:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Profit before taxation	647,926,258	517,137,038	409,339,142	245,882,660
Tax at the above applicable rate (17%)	110,147,464	87,913,296	69,587,654	41,800,052
Tax effect of:				
Income not subject to tax	(2,918,146)	(7,931,057)	(99,707,739)	(52,286,071)
Underprovision in previous year	2,713,380	262,187	2,497,324	576,776
Expenses not deductible	42,128,730	34,451,808	38,268,214	21,611,544
Corporate Climate Responsibility Levy	9,811,694	–	948,837	–
Effect of using different tax rates	10,624	2,821,505	–	–
Tax losses for which no deferred tax recognised	1,325,781	1,102,235	–	–
Share of profits of associates and Joint ventures	(28,892,795)	(44,044,396)	–	–
Net Fair Value Gain on Investment Properties	(5,174,050)	(360,376)	–	–
Profit on Disposal of Subsidiary	(29,982,612)	–	–	–
Taxation	99,170,070	74,215,202	11,594,290	11,702,301

Income not subject to tax refers to income like profit on sale of property, plant and equipment and investment properties, and also income which are not subject to tax. For Company, it also includes dividend income. Expenses not deductible for the Company which is reflected in the Group figure mainly represents the proportion of expenses attributable to dividend income which is disallowed as not deductible and other costs not directly linked with production of taxable Income.

17. TAXATION (CONTINUED)

(a) Income Tax (continued)

(ii) Income tax recognised in statements of profit or loss

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Current tax expense	97,778,523	67,938,250	9,639,026	10,217,698
Underprovision in previous year	2,713,380	262,187	2,497,324	576,776
Deferred tax movement	(1,321,833)	6,014,765	(542,060)	907,827
	99,170,070	74,215,202	11,594,290	11,702,301

(iii) Income tax recognised in statements of financial position

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
At 1 January	32,176,935	54,265,468	(248,116)	(1,080,094)
Charge for the year	97,778,523	67,938,250	9,639,026	10,217,698
Paid during the year	(85,062,752)	(90,288,970)	(6,672,971)	(9,962,496)
Underprovision in previous year	2,713,380	262,187	2,497,324	576,776
Disposal of Subsidiary	(913,277)	–	–	–
At 31 December	46,692,809	32,176,935	5,215,263	(248,116)

Disclosed as follows:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Current tax assets	(3,265,341)	(1,778,848)	–	(248,116)
Current tax liabilities	49,958,150	33,955,783	5,215,263	–
	46,692,809	32,176,935	5,215,263	(248,116)

(b) Deferred tax liabilities/(assets)

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Deferred tax assets	(32,540,715)	(51,186,329)	–	–
Deferred tax liabilities	105,443,462	98,961,318	5,720,000	8,005,000
Net deferred tax liabilities	72,902,747	47,774,989	5,720,000	8,005,000

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
At 1 January	47,774,989	39,303,021	8,005,000	6,408,000
Charge/(credit) to statement of profit or loss :				
Deferred tax expense	(1,321,833)	6,014,765	(542,060)	907,827
Charged/(credited) to other comprehensive income :				
Revaluation of buildings	1,961,198	5,932,928	(1,372,250)	787,433
Remeasurement of retirement benefit obligations	(5,532,954)	(4,614,888)	(370,690)	(98,260)
Disposal of Subsidiary (Note 33)	31,518,076	–	–	–
Foreign exchange difference	(1,496,729)	1,139,163	–	–
At 31 December	72,902,747	47,774,989	5,720,000	8,005,000

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Accelerated capital allowances	85,110,343	78,416,369	579,987	679,708
Revaluation surplus on buildings	49,699,085	48,466,231	9,304,243	10,277,172
Retirement benefit obligations	(28,783,259)	(21,229,804)	(4,164,230)	(2,951,880)
Unused tax losses	(1,839,213)	(31,616,314)	–	–
Right-of-use assets	(4,620,870)	(4,508,638)	–	–
Other provision and temporary differences	(26,663,339)	(21,752,855)	–	–
	72,902,747	47,774,989	5,720,000	8,005,000

The Group has aggregate unutilised tax losses and deductible temporary differences of MUR 53,174,477 (2023: MUR 29,871,062) to carry forward against future taxable income for which a deferred tax asset has not been recognised due to uncertainty of their recoverability.

The expiry dates of the unutilised tax loss are as follows:

	GROUP	
	2024 MUR	2023 MUR
31 December 2029	22,260,697	–
31 December 2028	19,805,387	8,228,414
31 December 2027	8,085,681	7,416,234
31 December 2026	1,902,720	11,011,832
31 December 2025	1,119,992	1,912,631
31 December 2024	–	1,301,951
	53,174,477	29,871,062

18. BANK OVERDRAFTS

Interest rates are floating rates and range between 5.80% and 8% p.a. (2023: 6.3% and 8% p.a).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

19. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Trade payables	300,787,085	365,246,170	51,270,558	7,786,715
Other payables and accruals	1,220,975,366	757,167,771	88,935,840	132,794,692
Advance payment from customers	15,280,511	748,234	–	–
Prize liability and reserve fund	82,164,254	113,012,159	–	–
Unclaimed prize	18,630,901	18,199,368	–	–
Consolidated Fund	130,053,006	132,142,162	–	–
	1,767,891,122	1,386,515,864	140,206,398	140,581,407
Less: Amount due for settlement after one year (shown under non current liabilities)	(114,951,061)	(70,048,621)	–	–
	1,652,940,061	1,316,467,243	140,206,398	140,581,407

Other Payables and Accruals comprise mainly of accruals for goods and services relating to the Group's operations which was not yet invoiced at reporting date, and amounts due to third parties which are not classified as trade creditors. The amount comprise of Rs 334M (2023:Rs 274M) of accruals specifically for the construction sector which includes construction costs on ongoing contracts, provisions for decennial liabilities, maintenance provisions and clearing and restoration cost provision.

The directors consider that the carrying amount of trade payables approximate their fair value.

The average credit period of creditors is two months. No interest is charged on trade payables. The Group has policies and procedures in place to ensure that all payables are paid within the credit time frame.

19(A) CONTRACT LIABILITIES

	GROUP	
	2024 MUR	2023 MUR
Non current		
Retention payable to subcontractors	577,074	1,086,325
Advance from customers	71,825,573	63,840,980
	72,402,647	64,927,305
Current		
Retention payable to subcontractors	212,471,451	152,743,684
Advance from customers	343,855,328	699,554,209
	556,326,779	852,297,893

The contract liabilities primarily relate to the advance consideration received from customers for the performance obligation yet to be satisfied and retention payable to sub-contractors.

Set out below is the amount of revenue recognised from:

	GROUP	
	2024 MUR	2023 MUR
Amounts included in contract liabilities at the beginning of the year	449,955,647	67,093,440
Performance obligations satisfied in previous years	–	–

The non-current contract liabilities are carried at amortised cost using an effective interest rate of 7.05% p.a (2023: 7.55%).

The significant changes in the balances of contract liabilities are disclosed in Note 20.

20. REVENUE

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Sale of goods	2,508,097,362	2,512,155,558	–	–
Construction contract revenue (a)	4,533,968,000	2,603,547,116	–	–
Lottery	1,448,527,818	1,519,831,742	–	–
Rendering of services	45,912,590	29,977,391	225,920,913	193,577,280
Revenue from contracts with customers	8,536,505,770	6,665,511,807	225,920,913	193,577,280
Rental Income	39,652,377	31,408,451	2,285,596	2,332,914
Dividend income	–	–	553,728,192	307,565,126
Revenue	8,576,158,147	6,696,920,258	781,934,701	503,475,320

(a) Disaggregation of revenue

Set out below is the disaggregation of revenue from contract with customers:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Type of revenue				
Sale of building materials	2,495,824,381	2,504,841,877	–	–
Construction contract revenue	4,533,968,000	2,603,547,116	–	–
Sale of lottery tickets	1,448,527,818	1,519,831,742	–	–
Sale of goods and services	58,185,571	37,291,072	225,920,913	193,577,280
Revenue from contracts with customers	8,536,505,770	6,665,511,807	225,920,913	193,577,280
Timing of revenue recognition				
At a point in time	4,002,537,770	4,061,964,691	225,920,913	193,577,280
Over time	4,533,968,000	2,603,547,116	–	–
Revenue from contracts with customers	8,536,505,770	6,665,511,807	225,920,913	193,577,280

	GROUP	
	2024 MUR	2023 MUR
Revenue derived over time are earned on:		
Short-term contracts	363,817,679	481,590,881
Long-term contracts	4,170,150,321	2,121,956,235
Total revenue	4,533,968,000	2,603,547,116

The Group has disaggregated revenues generated from contracts with customers in terms of contract duration as projects profitability is normally analysed as being generated from short term or long term contracts. Short-term contracts are contracts having a duration of less than one year and long-term contracts are those having a duration of one year or more.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

20. REVENUE (CONTINUED)

(b) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities:

	GROUP	
	2024 MUR	2023 MUR
Advance from customers		
At 1 January	763,395,189	162,727,635
Amount received during the year	102,241,359	667,760,994
Amount recognised in revenue	(449,955,647)	(67,093,440)
At 31 December	415,680,901	763,395,189

(c) Revenue recognised in relation to contract liabilities

Significant increase in current contract liabilities is due to advance payments received from major contracts close to reporting date.

(d) Unsatisfied long-term contracts

The following table shows unsatisfied performance obligations resulting from fixed-price long-term construction contracts.

	GROUP	
	2024 MUR	2023 MUR
Aggregate amount of the transaction price allocated to long term contract that are partially or fully unsatisfied at reporting date	3,416,432,639	4,950,783,609

Management expects that the transaction price allocated to the unsatisfied contracts as at 31 December 2024 will be recognised as revenue during the next reporting periods up to 31 December 2025. The amount disclosed does not include variable consideration which is constrained.

(e) Performance obligations

Information on the Group's performance obligations are summarised below:

Construction contracts with customers

The performance obligation is satisfied over-time. Invoicing is done on a monthly basis based on the value of the work completed. Payment is due when the amount is certified by the customer. In most long term large contracts, advances are required before start of works. These advances are interest free. For more information on advances from clients refer to Note 19.

Sale of building materials

The performance obligation is satisfied upon delivery of building materials and payment is generally due within a period of 30-60 days from delivery.

Sale of lottery tickets

Sale of lottery tickets are the wagers placed on lottery tickets on the Group's draw-based game. Revenue recognition occurs when the draw has been held and the results have been certified by the Gambling Regulatory Authority.

Sale of goods and services

The performance obligation is satisfied upon delivery of goods and services and payment is generally due within 30 days from delivery. Sale of goods and services relate to asphalt selling and management fees income from associate and joint venture.

21. OPERATING PROFIT

The Operating profit is arrived at:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
(i) After crediting:				
Profit disposal of property, plant and equipment	–	(3,850)	–	–
Interest income	(31,756,689)	(38,917,070)	(23,977,280)	(43,109,426)
Net foreign exchange gains	(39,931,170)	(1,442,688)	(30,172,187)	(15,384,658)
Write back of payables upon winding up of subsidiaries	–	–	–	(5,022,375)
Other operating income	(30,032,861)	(29,304,071)	(41,258,467)	(19,038,904)
(ii) and charging:				
- Cost of sales	7,065,385,959	5,586,669,389	–	–
- Administrative expenses and selling expenses	1,231,293,983	856,671,269	396,581,849	267,135,996
	8,296,679,942	6,443,340,658	396,581,849	267,135,996
Included in cost of sales, Administrative and selling expenses:				
Cost of inventories expensed (Note 11)	2,050,531,951	1,885,176,470	–	–
Subcontractors' cost	1,449,026,342	1,094,426,112	–	–
Depreciation (Note 5)	130,427,599	89,293,053	4,860,921	3,894,978
Depreciation of right-of-use assets (Note 5(g))	51,042,584	59,437,978	6,240,555	4,665,189
Amortisation of intangible assets (Note 6)	25,658,787	20,373,230	233,874	859,828
Loss on disposal and write off of plant and equiment	103,714	–	–	–
Staff costs (Note (a))	1,299,464,409	798,789,439	247,097,387	171,501,331
Net Impairment of investments in subsidiaries	–	–	–	4,758,667
Provision for slow moving inventories	11,665,295	5,875,245	–	–
(a) Breakdown of staff costs are:				
Salaries and other short term benefits	1,231,446,720	759,903,693	236,714,437	166,739,803
Defined contribution plan (Note 16)	25,088,823	24,436,929	3,209,000	2,570,415
State pension plan (Note 16)	30,815,793	27,527,905	4,571,950	3,869,113
Defined benefit plan (Note 16)	12,113,073	(13,079,088)	2,602,000	(1,678,000)
	1,299,464,409	798,789,439	247,097,387	171,501,331
(b) Analysis of Expenses				
Staff costs	1,299,464,409	798,789,439	247,097,387	171,501,331
Depreciation and amortisation	207,128,970	169,104,261	11,335,350	9,419,995
Cost of inventories expensed	2,050,531,951	1,885,176,470	–	–
Subcontractors' cost	1,449,026,342	1,094,426,112	–	–
Transport	68,350,373	56,572,890	–	–
Fuel & oil	34,875,938	28,859,914	–	–
Marketing & communications	81,074,190	72,960,595	–	–
Technological support	35,603,305	36,838,963	–	–
Information technology	54,773,175	42,720,277	–	–
Raw Materials directly on site	1,410,767,032	602,111,751	–	–
Other costs	1,605,084,257	1,655,779,986	138,149,112	86,214,670
	8,296,679,942	6,443,340,658	396,581,849	267,135,996

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

22. FINANCE COSTS

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Interest expense on:				
Bank overdrafts	16,324,315	32,191,762	–	260,209
Loans repayable by instalments	24,859,305	33,326,294	11,605,419	17,294,542
Bond notes	50,843,504	50,346,753	50,843,504	50,346,753
Interest on lease liabilities	17,358,841	18,767,608	1,001,208	1,036,060
Interest on intercompany balances	–	–	7,971,513	4,074,463
	109,385,965	134,632,417	71,421,644	73,012,027

23. DIVIDEND

	COMPANY	
	2024 MUR	2023 MUR
Final dividend of Rs 1.50 (2023: Rs 1.75) per share	199,875,000	233,187,500
Interim dividend of Rs 0.50 (2023: Rs 0.50) per share	66,625,000	66,625,000
Loans repayable by instalments	266,500,000	299,812,500

24. EARNINGS PER SHARE

	COMPANY	
	2024 MUR	2023 MUR
Profit attributable to owners of the Company	421,910,368	378,569,554
Number of shares for earnings per share calculation	133,250,000	133,250,000
Earnings per share (basic and diluted)	3.17	2.84

25. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Property, plant and equipment purchased	224,124,209	195,197,288	9,351,207	9,434,175
Financed as follows:				
Lease (right-of-use assets)	71,175,595	71,340,923	–	7,511,639
Cash disbursed	152,948,614	123,856,365	9,351,207	1,922,536
Total	224,124,209	195,197,288	9,351,207	9,434,175

26. CASH AT BANK, IN HAND AND SHORT TERM DEPOSITS

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Cash at bank, in hand and short term deposits	1,006,180,446	1,294,007,111	462,388,067	573,797,446
Bank overdrafts	(426,431,971)	(402,568,186)	(99,924,114)	–
	579,748,475	891,438,925	362,463,953	573,797,446

27. SEGMENT INFORMATION

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the group that are regularly reviewed by the Executive Committee in order to allocate resources to the segments identified previously under IAS 14, Segmental Reporting.

Information reported to the chief operating decision maker focuses on the types of goods and services delivered or provided. The directors of the Company have chosen to organize the Group around differences in products and services.

The Group's reportable segments under IFRS 8 are:

- Building Materials segment, which imports cement in bulk and sells it in bulk or bags
- Contracting segment, which is engaged in the building and civil engineering works, asphalt production and asphalt road works
- Property segment, which has a bank of land and office buildings for development and rental
- Lottery segment, which is engaged in the lottery business
- Corporate Services & Others segment, which provides the corporate and secretarial services for the Group.

(a) Segment revenue and results

The following is an analysis of the Group's revenue from continuing operations.

2024	Building materials MUR	Contracting MUR	Real estate MUR	Lottery MUR	Corporate services & others MUR	Eliminations MUR	Total MUR
REVENUE							
External sales	2,495,824,381	4,546,240,981	39,564,627	1,448,527,818	344,747,243	(298,746,903)	8,576,158,147
Inter-segment sales	19,091,920	2,913,501	31,304	–	765,147,900	(787,184,625)	–
	2,514,916,301	4,549,154,482	39,595,931	1,448,527,818	1,109,895,143	(1,085,931,528)	8,576,158,147
OPERATING PROFIT							
Segment results	236,452,262	102,778,599	24,387,565	126,909,064	486,962,994	(596,291,559)	381,198,925
Net impairment reversal/(charge) on financial and contract assets	878,233	(1,061,859)	–	(464,583)	–	–	(648,209)
Fair value gain on investment properties	–	–	30,135,586	–	300,000	–	30,435,586
Finance costs	(43,842,410)	(1,842,573)	(9,806,230)	(874,574)	(77,581,251)	24,561,073	(109,385,965)
Share of profit of associates and joint ventures	101,403,694	–	–	(50,582,583)	119,136,506	–	169,957,617
Profit on disposal of subsidiary	176,368,304	–	–	–	–	–	176,368,304
Profit before taxation							647,926,258
Taxation							(99,170,070)
Profit for the year							548,756,188

27. SEGMENT INFORMATION (CONTINUED)

(a) Segment revenue and results (continued)

2023	Building materials	Contracting	Real estate	Lottery	Corporate services & others	Eliminations	Total
	MUR	MUR	MUR	MUR	MUR	MUR	MUR
REVENUE							
External sales	2,504,841,877	2,610,860,797	31,320,701	1,519,831,742	210,804,929	(180,739,788)	6,696,920,258
Inter-segment sales	10,254,240	4,248,479	114,000	–	567,754,571	(582,371,290)	–
	2,515,096,117	2,615,109,276	31,434,701	1,519,831,742	778,559,500	(763,111,078)	6,696,920,258
OPERATING PROFIT							
Segment results	81,534,224	63,661,725	16,512,418	190,487,494	307,826,262	(336,774,844)	323,247,279
Net impairment charge on financial and contract assets	(631,226)	67,518,801	–	372,559	57,500	–	67,317,634
Fair value gain on investment properties	–	–	2,119,860	–	–	–	2,119,860
Finance costs	(63,280,729)	(631,337)	(9,748,334)	(5,346,094)	(73,426,605)	17,800,682	(134,632,417)
Share of profit of associates and joint ventures	172,521,084	–	–	10,250,140	76,313,458	–	259,084,682
Profit before taxation							517,137,038
Taxation							(74,215,202)
Profit for the year							442,921,836

Segment revenue reported above represents revenue generated from external customers.

External sales elimination refers to dividend income from Associates and Joint Venture. The dividends are eliminated on consolidation since the share of Profit of Associates and Joint Venture are taken in the Group results.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3.

(b) Segment Assets and Liabilities

2024	Building materials	Contracting	Real estate	Lottery	Corporate services & others	Eliminations	Total
	MUR	MUR	MUR	MUR	MUR	MUR	MUR
ASSETS							
Segment assets	2,257,944,938	1,985,875,729	1,699,772,272	573,822,489	2,187,668,891	(1,107,693,051)	7,597,391,268
Investments in associates and joint ventures	586,430,240	–	–	206,057,133	618,442,458	–	1,410,929,831
Total assets							9,008,321,099
LIABILITIES							
Segment liabilities	941,861,115	1,887,493,324	166,281,136	395,970,380	1,671,567,268	(235,108,536)	4,828,064,687
Non-controlling interests	148,689,321	–	–	63,942,343	–	–	212,631,664
Equity attributable to owners							3,967,624,748
Total equity and liabilities							9,008,321,099

2023	Building materials	Contracting	Real estate	Lottery	Corporate services & others	Eliminations	Total
	MUR	MUR	MUR	MUR	MUR	MUR	MUR
ASSETS							
Segment assets	2,267,056,027	1,713,322,890	1,598,069,431	511,220,950	2,076,105,030	(890,550,300)	7,275,224,028
Investments in associates and joint ventures	543,366,126	–	–	255,961,027	547,047,855	–	1,346,375,008
Total assets							8,621,599,036
LIABILITIES							
Segment liabilities	1,021,579,097	1,615,384,139	109,131,769	381,490,438	1,516,758,190	(18,669,944)	4,625,673,689
Non-controlling interests	107,303,187	–	–	75,730,418	–	–	183,033,605
Equity attributable to owners							3,812,891,742
Total equity and liabilities							8,621,599,036

All assets and liabilities are allocated to reportable segments. Goodwill is allocated to reportable segments as described in Note 6. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

27. SEGMENT INFORMATION (CONTINUED)

(c) Other Information

(i) Capital additions, depreciation and amortisation

2024	Building materials	Contracting	Real estate	Lottery	Corporate services & others	Total
	MUR	MUR	MUR	MUR	MUR	MUR
Capital additions	47,825,865	149,714,536	87,345,263	21,880,017	9,757,345	316,523,026
Depreciation and amortisation	76,536,725	59,717,959	1,130,518	55,338,042	14,405,726	207,128,970

2023	Building materials	Contracting	Real estate	Lottery	Corporate services & others	Total
	MUR	MUR	MUR	MUR	MUR	MUR
Capital additions	102,136,220	76,012,732	–	47,635,153	10,136,870	235,920,975
Depreciation and amortisation	76,748,394	26,680,605	1,128,513	48,016,874	16,529,875	169,104,261

(ii) Geographical information

The following table provides an analysis of the Group's Revenue with external customers and total assets by geographical market:

	Revenue		Total Assets	
	2024	2023	2024	2023
	Rs	Rs	Rs	Rs
Mauritius	8,561,992,857	6,426,856,977	8,711,433,635	8,263,247,178
Madagascar	14,165,290	270,063,281	90,830,310	105,001,324
Rest of Africa	–	–	206,057,154	253,350,534
	8,576,158,147	6,696,920,258	9,008,321,099	8,621,599,036

(iii) Information about major customers

No single customer contributed 10% or more of the Group's revenue for both 2024 and 2023.

(iv) Revenue from major products and services

The following is an analysis of the Group's revenue classified into its major products and services.

	2024	2023
	MUR	MUR
Building materials	2,495,824,381	2,504,841,877
Contracting	4,533,968,000	2,610,860,797
Investment properties	39,652,377	31,408,451
Lottery	1,448,527,818	1,519,831,742
Sale of other goods and services	58,185,571	29,977,391
	8,576,158,147	6,696,920,258

28. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The transactions of the Group with related parties during the year are as follows:

(a) Expenses

(i) Purchase of goods and services

	GROUP		COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
From Subsidiaries	–	–	10,728,197	8,844,938
From Director-related Entities	9,572,310	2,326,724	9,572,310	2,326,724
From Associates and Joint venture	555,432,048	304,469,111	2,971,310	359,393

(ii) Interest Expense

	GROUP		COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
From Subsidiaries	–	–	7,971,513	4,074,463

(b) Income

	GROUP		COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
(i) Dividend income				
From Subsidiaries	–	–	305,494,214	177,466,494
From Associates and Joint venture	298,746,903	180,739,788	248,233,978	130,098,632
(ii) Management fee income, secretarial fee, treasury fee and rental income				
From subsidiaries	–	–	192,746,710	173,479,227
From Associates and Joint venture	44,056,963	33,105,273	44,056,963	33,105,273
(iii) Sale of goods and services				
To Associates and Joint venture	481,217,713	791,513,659	–	–
(iv) Interest income				
From Subsidiaries	–	–	6,578,000	13,726,236

(c) Compensation of key management personnel

	GROUP		COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
From Subsidiaries	241,242,538	171,848,423	130,966,518	100,140,039
From Director-related Entities	9,043,488	4,965,937	4,325,850	1,588,860
	250,286,026	176,814,360	135,292,368	101,728,899

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

28. RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Outstanding balances

(i) Amount due from related parties:

	GROUP 2024 MUR	GROUP 2023 MUR	COMPANY 2024 MUR	COMPANY 2023 MUR
Subsidiaries	–	–	187,342,824	268,375,070
Associates and Joint venture	316,212,423	67,330,951	20,974,280	12,489,635
	316,212,423	67,330,951	208,317,104	280,864,705

Of the balances due from subsidiaries, MUR 120M bears interest at 5% per annum and is repayable on demand. In 2023 MUR 120M bore interest at 5% per annum and MUR 110M bore interest at 6.3% per annum.

The remaining balances from related parties are unsecured, interest free and repayable at call except for the amounts shown in note 7(c).

Amount Due By Associates And Joint Venture

The amounts due from associates and joint venture are classified under Trade and Other Receivables in note 12(a). Amounts due from related parties have been tested for impairment using the ECL method and no impairment is deemed to be recorded.

(ii) Amount due to related parties

	GROUP 2024 MUR	GROUP 2023 MUR	COMPANY 2024 MUR	COMPANY 2023 MUR
Director-related Entities	45,040,615	45,040,615	–	–
Subsidiaries	–	–	117,655,116	318,212,377
Associates and joint venture included in creditors and accruals	149,566,202	46,232,304	–	–
	194,606,817	91,272,919	117,655,116	318,212,377

Of the balances due to subsidiaries in 2023, MUR 110M bore interest at 4.6% per annum, MUR 35M bore interest at 3.45% per annum and MUR 50M bore interest at 3.85% per annum. These amounts were repayable within 3 months. No amount due is interest bearing in 2024.

The remaining balances due to related parties are unsecured, interest free and repayable on demand.

29. FINANCIAL INSTRUMENTS

During the course of its ordinary activities, the Group and the Company are exposed to various risks such as capital risk, market risk (which comprises of interest rate risk, currency risk and other price risk), credit risk and liquidity risk. The risks are monitored and reviewed by the Audit and Risk Committee on a quarterly basis. The risks are managed by senior management of the Group and the Company. The Group's and the Company's financial risks activities are governed by appropriate policies and procedures, and the financial risks are identified, measured and managed in accordance with the Group's and the Company's policies and risk objectives.

(a) Capital risk management

The Group and the Company manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's and the Company's overall strategy remain unchanged from 2023.

The capital structure of the Group and the Company consist of net debt offset by cash and cash equivalents and equity comprising issued capital, reserves and retained earnings.

(b) Gearing ratio

The Group and the Company reviews the capital structure on a regular basis and as part of this review, management considers the cost of capital and the risks associated with its capital. There was no significant change during the year.

The gearing ratio at the year end was as follows:

	GROUP 2024 MUR	GROUP 2023 MUR	COMPANY 2024 MUR	COMPANY 2023 MUR
Debt (i)	2,124,031,057	2,071,343,499	1,270,297,392	1,256,439,444
Cash at bank and in hand	(1,006,180,446)	(1,294,007,111)	(462,388,067)	(573,797,446)
Net debt	1,117,850,611	777,336,388	807,909,325	682,641,998
Equity (ii)	4,180,256,412	3,995,925,347	1,715,703,951	1,579,168,744
Gearing ratio	26.7%	19.5%	47.1%	43.2%

(i) Debt is defined as short and long term borrowings, as detailed in Notes 14, 15 and 18.

(ii) Equity includes capital and reserves of the Group/Company.

(c) Material accounting policy information

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability and equity instruments are disclosed in Note 3 to the financial statements.

(d) Fair values

Except where stated elsewhere, the carrying amounts of the Group's and the Company's financial assets and financial liabilities approximate their fair values due to the short-term nature of the balances involved.

Categories of financial instruments

	GROUP 2024 MUR	GROUP 2023 MUR	COMPANY 2024 MUR	COMPANY 2023 MUR
Financial assets				
Financial assets at amortised cost	2,001,127,436	2,206,521,035	694,129,054	1,006,169,333
Financial liabilities				
Financial liabilities at amortised cost	3,887,572,416	3,316,311,909	1,526,356,378	1,712,537,368

Total financial assets consist of non-current receivables, trade and other receivables (excluding prepayments), cash and cash equivalents, convertible bonds, debt securities and amounts due from subsidiaries (Company only).

Total financial liabilities consist of trade and other payables, lease liabilities, loans, bonds and amounts due to subsidiaries (Company only).

(e) Fair value measurements recognised in the Statement of Financial Position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

29. FINANCIAL INSTRUMENTS (CONTINUED)

(f) Currency risk

Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group is exposed to the risk that the exchange rate of the Mauritian rupee relative to the currencies listed below (Note (g)) may change in a manner which has a material effect on the reported values of its assets and liabilities.

(g) Currency profile

The currency profile of the Group's and the Company's financial assets and financial liabilities is summarised as follows:

(i) Group

	Financial Assets		Financial Liabilities	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Currency				
Mauritian Rupee	1,330,115,537	1,695,265,815	3,801,979,461	3,018,508,283
United States Dollar	628,727,399	418,245,656	70,380,975	170,434,929
Euro	40,966,866	57,230,585	15,116,604	61,672,750
Malagasy Ariary	1,307,955	35,715,228	–	64,771,467
Great Britain Pound	9,679	43,376	95,376	–
Others	–	20,375	–	924,480
	2,001,127,436	2,206,521,035	3,887,572,416	3,316,311,909

(ii) Company

	Financial Assets		Financial Liabilities	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Currency				
Mauritian Rupee	240,392,259	592,918,127	1,516,608,966	1,679,846,556
United States Dollar	438,804,019	375,153,706	9,747,412	14,153,675
Euro	14,923,097	38,054,124	–	17,138,049
Great Britain Pound	9,679	43,376	–	–
Malagasy Ariary	–	–	–	474,608
Singapore Dollar	–	–	–	924,480
	694,129,054	1,006,169,333	1,526,356,378	1,712,537,368

Included in United States Dollar and Euro under Financial Assets are mainly cash at banks, short term deposits and MCB Stockbrokers Limited Notes.

Included in United States Dollar and Euro under Financial Liabilities are mainly trade payables.

(h) Foreign currency sensitivity analysis

The Group is mainly exposed to United States Dollar (USD), Euro and Malagasy Ariary.

The following table details the Group's sensitivity to a 5% increase and decrease in foreign currencies against the Mauritian Rupee. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. An increase in foreign currency will lead to an overall increase in profit and equity as shown below, and vice-versa.

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
United States Dollar	27,917,321	12,390,536	21,452,830	18,050,002
Euro	1,292,513	(222,108)	746,155	1,045,804
Malagasy Ariary	65,398	(1,452,812)	484	(67,786)
Others	(4,285)	(43,036)	–	–
Total	29,270,947	10,672,580	22,199,469	19,028,020

The above is mainly attributable to the Group's exposure outstanding on cash and cash equivalents, accounts receivables, accounts payables and borrowings in USD, Euro and Malagasy Ariary. The Group uses derivative financial instruments such as forward currency contracts to hedge its foreign currency risks. There was no open forward contract at reporting date.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

(i) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. The Group and the Company have adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are approved and reviewed by key management on regular basis.

The Group's and the Company's credit risk is primarily attributable to its trade receivables and from its financing activities including deposits with banks and financial institutions. The amounts presented in the Statements of Financial Position are net of allowances for expected credit losses, estimated by management based on prior experience and represents the company's maximum exposure to credit risk.

The Group and the Company do not hold collateral as security.

Ongoing credit evaluation is performed on the financial condition of accounts receivable and where appropriate, credit guarantee insurance cover is purchased for material subsidiaries of the group.

The Group and the Company do not have any significant concentration of credit risks other than those disclosed in Note 12.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns i.e., by customer type and rating. Generally, trade receivables are impaired if past due for more than one year. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 12. The Group's and the Company's exposure to credit risk arising from Cash at banks and short term deposits are limited given that these are held with reputable institutions and thus the ECL is immaterial.

(j) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in market interest rates. The Group and the Company are exposed to interest rate risk as it borrows funds at both fixed and floating interest rates. The risk is managed by the Group and the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

29. FINANCIAL INSTRUMENTS (CONTINUED)

(j) Interest rate risk (continued)

The interest rate profile of the financial liabilities at 31 December was:

Financial Liabilities

	Mauritian Rupee		USD		Malagasy Ariary	
	2024 %	2023 %	2024 %	2023 %	2024 %	2023 %
Bank overdraft - floating rates	From 5.80% to 8%	From 6.30% to 7.40%	–	–	8%	8%
Bank loans - floating rates	From 5.55% to 6.45%	From 6.05% to 6.95%	–	–	–	–
Bond liability - floating rates	From 5.25% to 5.35%	From 5.75% to 5.85%	–	–	–	–
Bond liability - fixed rates	From 3.68% to 4.60%	From 3.68% to 4.60%	–	–	–	–

(k) Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for the non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher and all other variables were held constant, the Group's and the Company's profit for the year ended 31 December 2024 would have decreased as follows:

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Decrease in Profit and equity	3,284,688	4,414,393	1,953,928	3,197,464

This is mainly attributable to the Group's and Company's exposure to interest rates on its variable rate borrowings.

(l) Liquidity risk management

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due. The Group's and the Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Liquidity Tables

The following tables detail the Group's and the Company's remaining contractual maturity for their non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The table includes both interest and principal cash flows.

Group	Less than 1 year	1 - 5 years	5+ years	Total
2024	MUR	MUR	MUR	MUR
Non-interest bearing	1,582,150,833	186,911,367	–	1,769,062,200
Lease liability	47,082,965	53,862,979	320,508,408	421,454,352
Variable interest rate instruments	660,444,271	1,479,299,365	440,024,800	2,579,768,436
Fixed interest rate instruments	19,743,000	192,500,000	375,317,000	587,560,000
	2,309,421,069	1,912,573,711	1,135,850,208	5,357,844,988

Group	Less than 1 year	1 - 5 years	5+ years	Total
2023	MUR	MUR	MUR	MUR
Non-interest bearing	1,394,718,823	–	–	1,394,718,823
Lease liability	61,672,959	272,678,454	277,963,599	612,315,012
Variable interest rate instruments	651,018,706	812,038,861	14,986,500	1,478,044,067
Fixed interest rate instruments	19,743,000	79,486,000	438,271,000	537,500,000
	2,127,153,488	1,164,203,315	731,221,099	4,022,577,902

Company	Less than 1 year	1 - 5 years	5+ years	Total
2024	MUR	MUR	MUR	MUR
Non-interest bearing	140,206,398	–	–	140,206,398
Lease liability	7,448,252	7,447,652	–	14,895,904
Variable interest rate instruments	117,370,795	695,303,645	–	812,674,440
Fixed interest rate instruments	19,743,000	192,500,000	375,317,000	587,560,000
	284,768,445	895,251,297	375,317,000	1,555,336,742

Company	Less than 1 year	1 - 5 years	5+ years	Total
2023	MUR	MUR	MUR	MUR
Non-interest bearing	140,581,407	–	–	140,581,407
Lease liability	7,112,579	14,225,160	–	21,337,739
Variable interest rate instruments	127,330,761	769,405,431	3,764,500	900,500,692
Fixed interest rate instruments	19,743,000	79,486,000	438,271,000	537,500,000
	294,767,747	863,116,591	442,035,500	1,599,919,838

Non-interest bearing debts includes Trade and other payables and Amounts due to subsidiaries (Company only).

Variable interest rate instruments refer to bank and other loans and Bond Liabilities inclusive of future interests.

Fixed interest rate instruments refer to Bond Liabilities inclusive of future interests.

Reconciliation of liabilities arising from financing activities

(i) Group

	1 January 2024	Interest Cost	Cash* (outflows) / inflows	Reclassifi-cation	Net recognition of lease liabilities	Remeasure-ment of liabilities	Disposal of Subsidiary	31 December 2024
2024	MUR	MUR	MUR	MUR	MUR	MUR	MUR	MUR
Current interest bearing borrowings	164,440,401	8,876,518	(1,348,199)	93,616,422	–	–	–	265,585,142
Current lease liabilities	45,331,979	2,954,357	(47,878,443)	(30,926,553)	71,175,595	257,455	–	40,914,390
Non current interest bearing borrowings	1,237,978,902	66,826,291	(66,826,291)	(93,616,422)	–	–	–	1,144,362,480
Non current lease liabilities	221,024,031	14,404,484	(14,404,484)	30,926,553	–	3,114,536	(8,328,046)	246,737,074
	1,668,775,313	93,061,650	(130,457,417)	–	71,175,595	3,371,991	(8,328,046)	1,697,599,086

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

29. FINANCIAL INSTRUMENTS (CONTINUED)

(l) Liquidity risk management (continued)

Reconciliation of liabilities arising from financing activities (Continued)

(i) Group

	1 January 2023	Interest Cost	Cash* (outflows) / inflows	Reclassification	Net recognition of lease liabilities	31 December 2024
	MUR	MUR	MUR	MUR	MUR	MUR
Current interest bearing borrowings	85,980,097	29,995,090	(112,168,251)	160,633,465	–	164,440,401
Current lease liabilities	36,179,927	2,605,583	(57,918,341)	3,394,438	61,070,372	45,331,979
Non current interest bearing borrowings	1,398,612,367	85,869,719	(85,869,719)	(160,633,465)	–	1,237,978,902
Non current lease liabilities	224,418,469	16,162,025	(16,162,025)	(3,394,438)	–	221,024,031
	1,745,190,860	134,632,417	(272,118,336)	–	61,070,372	1,668,775,313

(ii) Company

	1 January 2024	Interest Cost	Cash* (outflows) / inflows	Reclassification	Net recognition of lease liabilities	31 December 2024
	MUR	MUR	MUR	MUR	MUR	MUR
Current interest bearing borrowings	82,529,237	3,954,375	(86,483,612)	–	82,838,138	82,838,138
Current lease liabilities	6,157,195	314,968	(6,472,163)	306,936	6,516,715	6,823,651
Non current interest bearing	1,154,337,980	58,494,548	(56,505,745)	–	(82,838,138)	1,073,488,645
Non current lease liabilities	13,415,032	686,240	(975,586)	613,873	(6,516,715)	7,222,844
	1,256,439,444	63,450,131	(150,437,106)	920,809	–	1,170,373,278

	1 January 2023	Interest Cost	Cash* (outflows) / inflows	Reclassification	Net recognition of lease liabilities	31 December 2024
	MUR	MUR	MUR	MUR	MUR	MUR
Current interest bearing borrowings	83,125,069	4,438,800	(87,563,869)	–	82,529,237	82,529,237
Current lease liabilities	3,825,037	236,894	(4,061,931)	2,056,270	4,100,925	6,157,195
Non current interest bearing borrowings	1,235,187,776	63,202,495	(61,523,054)	–	(82,529,237)	1,154,337,980
Non current lease liabilities	12,903,825	799,166	(1,642,403)	5,455,369	(4,100,925)	13,415,032
	1,335,041,707	68,677,355	(154,791,257)	7,511,639	–	1,256,439,444

*Cash movements include the payment of interests.

30. OPERATING LEASES

(a) The Group as Lessor

Leasing Arrangements

The Group leases office spaces and a shop unit with lease durations of two to seven years, with options to extend for further periods of one to five years at the discretion of the lessees. The operating lease contracts contain market review clauses in the event that the lessees exercise their option to renew. The lessees do not have an option to purchase the property at the expiry of the lease period.

During the year the rental income earned by the Group and Company under operating leases amounted to Rs 39,683,681 (2023:MUR 29,631,959) and MUR 1,200,000 (2023: MUR 2,332,914) respectively. Direct operating expenses incurred by the Group for the year amount to MUR 9,201,853 (2023: MUR 6,018,171).

Non-cancellable Operating Lease Receivables

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Less than one year	40,341,800	33,269,400	1,200,000	1,200,000
Between one and two years	38,766,390	33,269,400	–	1,200,000
Between two and five years	105,459,888	99,808,200	–	–
More than five years	7,183,728	41,586,750	–	–
	191,751,806	207,933,750	1,200,000	2,400,000

31. NON-CURRENT RECEIVABLES

	GROUP		COMPANY	
	2024 MUR	2023 MUR	2024 MUR	2023 MUR
Prepayment for lease of land	4,810,796	5,011,106	–	–
Other receivables	173,929,076	1,927,352	490,114	490,114
	178,739,872	6,938,458	490,114	490,114

Advance payments were made in respect of lease of land. The advance payments are expensed in Profit or Loss as follows:

	GROUP	
	2024 MUR	2023 MUR
After one year but before five years	801,240	3,028,000
More than five years	4,009,556	1,983,106
	4,810,796	5,011,106

Other receivables for the Group mainly relates to long-term deposits and deferred amount receivable from related party. The deferred amount receivable is interest free and receivable over 4 years.

32. CONTINGENT LIABILITIES

Contingent liabilities not provided for in the Group's financial statements relate to expatriate guarantees of MUR 4M (2023: MUR 1M), performance bond of MUR 927M (2023: MUR 680M), tender bond of MUR 10M (2023: MUR 5M), advance payment guarantees of MUR 669M (2023: MUR 697M) and other guarantees of MUR 10M (2023: MUR 18M) to third parties. The Group also provided a corporate guarantee of approximately MUR 47M (2023: MUR 77M) for a Joint Venture in relation to the its financial obligation.

Contingent liabilities not provided for in the Company financial statements relate to expatriates guarantees of MUR 0.1M (2023: MUR 0.1M).

The Group has contingent liabilities in respect of legal claims arising in the ordinary course of business.

It is not anticipated that any material liabilities will arise from them and is deemed unpractical to disclose the cases individually.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

33. DISPOSAL OF SUBSIDIARY

On 12 February 2024 the Group formed a joint venture, CIMAD HOLDINGS Ltd, to acquire an industrial cement business in Madagascar in line with its strategy to expand geographically. On 31 May 2024, a reorganisation of the cement operations in Madagascar saw our subsidiary transferred to the newly acquired entity. A profit on disposal of MUR 176M arose from the deconsolidation. The Net assets and liabilities disposed of were as follows:

	2024 MUR
Property, plant and equipment	27,665,092
Deferred tax Assets	31,518,076
Inventories	8,739,236
Accounts receivabes	39,876,676
Cash at Bank	1,359,500
Lease liabilities	(8,328,046)
Current tax liability	(913,277)
Accounts payables	(23,827,152)
Bank Overdraft	(81,549,100)
Net liabilities disposed	(5,458,995)
Profit on disposal	
Fair value of deferred purchase consideration receivable	170,909,309
Net liabilities disposed	5,458,995
Profit on Disposal	176,368,304
Cash Flow on disposal	
Consideration received	–
Less: Cash and cash equivalents disposed	
Cash at Bank	1,359,500
Bank Overdraft	(81,549,100)
	(80,189,600)
Net cash flow on disposal	80,189,600

34. CHANGE IN OWNERSHIP IN SUBSIDIARIES

Year 2023

In 2023, the Group increased its shareholding in Kolos International Ltd and Kolos Madagascar SA to 74% each. The shareholdings in Kolos International Ltd and Kolos Madagascar SA were 62.9% and 62.5% respectively at 31 December 2022. The additional share of net assets purchased is as follows:

	Kolos International Ltd	Kolos Madagascar SA	Total
			MUR
Analysis of assets and liabilities over which control increased:			
Non-current assets	1,928,306	60,572,902	62,501,208
Current assets			
Inventories	–	138,228,086	138,228,086
Receivables	248,610,628	72,281,303	320,891,931
Cash and cash equivalents	8,007,473	243,746	8,251,219
Current liabilities			
Borrowings	(91,317,835)	(149,633,679)	(240,951,514)
Payables	(157,672,932)	(280,814,493)	(438,487,425)
Net assets/(liabilities)	9,555,640	(159,122,135)	(149,566,495)
Share of net assets/(Liabilities) acquired:	1,060,676	(17,662,557)	(16,601,881)
Movement in equity as follows:			
Transfer from non-controlling interests to earnings and reserves attributable to owners:			
Foreign currency translation reserve			(939,549)
Retained earnings			(19,156,082)
Transfer from non controlling interests			16,601,881
Consideration paid to non controlling interests			3,493,750

35. CAPITAL COMMITMENTS

Capital commitments for the next financial year contracted for by the Group amounted to MUR 28M and none for the Company (2023: MUR 348M for the Group and MUR 335M for the Company).

36. EVENTS AFTER THE REPORTING DATE

There are no material events after the reporting date.

CORPORATE INFORMATION

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COMPANY SECRETARY
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Ebène 72201
Mauritius

MAIN BANKERS
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Absa Bank (Mauritius) Limited
AfrAsia Bank Limited
Bank One Limited
MauBank Ltd
SBM Bank (Mauritius) Ltd
Standard Chartered Bank (Mauritius) Ltd
The Mauritius Commercial Bank Ltd